GPIL/2023-2024
June 2, 2023

The Manager	**The Manager**
BSE Limited	**National Stock Exchange of India Limited**
Department of Corporate Services	Exchange Plaza, C-1, Block G,
Floor 25, P. J. Towers, Dalal Street	Bandra Kurla Complex, Bandra (E),
Mumbai-400001	Mumbai - 400051
Scrip Code: 542857	**Symbol – GREENPANEL**

Dear Sir/Madam,

Sub: Annual Report for the financial year 2022-23

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed the Annual Report of the Company for the financial year 2022-23 along with a Notice of the 6th Annual General Meeting, which is being sent to the members of the Company, for their adoption at the 6th Annual General Meeting of the Company to be held on Tuesday, June 27, 2023, at 11 a.m. (IST) through Video Conferencing/Other Audio-Visual Means.

A copy of the Annual Report of the Company for the financial year 2022-23 is also being posted on the website of the Company at https://www.greenpanel.com/wp-content/uploads/2023/06/Annual-Report_2022-23.pdf and the notice of the 6th Annual General Meeting at https://www.greenpanel.com/wp-content/uploads/2023/06/Notice-of-6th-Annual-General-Meeting.pdf

This is for your information and records.

Thanking you,

Yours faithfully,
For **GREENPANEL INDUSTRIES LIMITED**

LAWKUSH PRASAD
Digitally signed by LAWKUSH PRASAD
Date: 2023.06.02 18:21:06 +05'30'

(Lawkush Prasad)
Company Secretary & VP – Legal
ACS:18675

Encl.: a/a

GREENPANEL

GREENPANEL INDUSTRIES LIMITED

Registered and Corporate Office: Thapar House, 2nd Floor, 163, S. P. Mukherjee Road, Kolkata - 700 026, India
Business Office: 3rd Floor, Plot No. 68, Sector - 44, Gurugram - 122003, India
Phone: (033) 4084-0600,
Email: investor.relations@greenpanel.com, Website: www.greenpanel.com
CIN: L20100AS2017PLC018272

NOTICE

Notice is hereby given that the 6th annual general meeting ('AGM' or 'meeting') of the members of Greenpanel Industries Limited will be held as scheduled below:

Day	:	Tuesday
Date	:	June 27, 2023
Time	:	11.00 a.m. IST
Mode	:	Through video conferencing ("VC") or other audio-visual means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the audited standalone financial statements of the company for the financial year ended March 31, 2023, the audited consolidated financial statements of the company for the said financial year, and the reports of the board of directors and auditors thereon.

2. To confirm payment of interim dividend of ₹1.50/- (one rupees and fifty paise) per share i.e., 150% on face value of equity shares of ₹1/- on 12,26,27,395 equity shares of the company, paid to the shareholders for the financial year 2022-23.

3. To appoint a director in place of Mr. Shiv Prakash Mittal (DIN: 00237242), who retires by rotation at the ensuing annual general meeting and, being eligible, offers himself for re-appointment.

4. To re-appoint the statutory auditors of the company and to fix their remuneration.

   To consider and, if though fit to pass with or without modification the following resolution as an ordinary resolution

   "**RESOLVED THAT** pursuant to the provisions of sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s), amendments, substitutions or re-enactment(s) thereof, for the time being in force] and recommendations of the audit committee and the board of directors of the company, M/s. S. S. Kothari Mehta & Company, Chartered Accountants (Firm Registration No. – 000756N) be and are hereby re-appointed as statutory auditors of the company to hold office for a further term of five consecutive years from the conclusion of the 6th annual general meeting till the conclusion of 11th annual general meeting of the company at such remuneration, as may be decided by the board of directors of the company based on the recommendation of the Audit committee, in addition to reimbursement of out of pocket expenses in connection with audit of the financial statements of the company.

   RESOLVED FURTHER THAT Mr. Shiv Prakash Mittal (DIN: 00237242), Executive Chairman, Mr. Shobhan Mittal (DIN: 00347517), Managing Director and CEO and Mr. Lawkush Prasad, Company Secretary and VP-Legal of the company be and are hereby severally authorised to sign and file necessary e-forms with the Registrar of Companies, issue appointment letter to the Auditors and to do all such acts, deeds, and things as may be considered necessary, desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS

5. **Reappointment of Mr. Salil Kumar Bhandari (DIN: 00017566) as an independent director of the company for a second term of 5 years**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **special resolution**:

   "**RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with schedule IV to the Act and regulation 16(1)(b), 17, 25(2), 25(2A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulation") and pursuant to the provisions of the Articles of Association of the company and recommendation of the nomination and remuneration committee and the board of directors of the company, Mr. Salil Kumar Bhandari (DIN: 00017566), who was appointed as an independent director of the company by the shareholders for a period of five years with effect from August 6, 2018 and whose tenure is expiring on August 6, 2023 and has submitted a declaration that he meets the criteria for independence as required in section 149(7) of the Act and regulation 25(8) of Listing Regulations, be and is hereby reappointed as an independent director of the company to hold office for a second term of five consecutive years with effect from August 6, 2023 till August 5, 2028 whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Shiv Prakash Mittal (DIN: 00237242), Executive Chairman, Mr. Shobhan Mittal (DIN: 00347517), Managing Director and CEO and Mr. Lawkush Prasad, Company Secretary and VP-Legal, be and are hereby severally authorised to file returns of appointment with the Registrar of companies, issue letter of appointment and to do all such acts, deeds, matters, and things as may be deemed necessary to give effect to this resolution."

6. **Reappointment of Mr. Mahesh Kumar Jiwrajka (DIN: 07657748) as an independent director of the company for a second term of 5 year**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **special resolution**:

"**RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with schedule IV to the Act and regulation 16(1)(b), 17, 25(2), 25(2A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulation") and pursuant to the provisions of the Articles of Association of the company and recommendation of the nomination and remuneration committee and the board of directors of the Company, Mr. Mahesh Kumar Jiwrajka (DIN: 07657748), who was appointed as an independent director of the company by the shareholders with effect from August 6, 2018 and whose tenure is expiring on August 6, 2023 and has submitted a declaration that he meets the criteria for independence as required in section 149(7) of the Act and regulation 25(8) of Listing Regulations, be and is hereby reappointed as an independent director of the company to hold office for a second term of five consecutive years with effect from August 6, 2023 till August 5, 2028 whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Shiv Prakash Mittal (DIN: 00237242), Executive Chairman, Mr. Shobhan Mittal (DIN: 00347517), Managing Director and CEO, and Mr. Lawkush Prasad, Company Secretary and VP-Legal of the Company be and are hereby severally authorized to file returns of appointment with the Registrar of companies, issue letter of appointment and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution".

Place: Gurgaon
Date: May 6, 2023

By order of the Board
For **Greenpanel Industries Limited**

Registered office:
Thapar House, 2nd Floor,
163, S.P. Mukherjee Road,
Kolkata - 700026

Lawkush Prasad
Company Secretary and VP-Legal
Membership No.: A18675

NOTES:

1. The explanatory statement pursuant to section 102(1) of the Companies Act, 2013, and Para 1.2.5 of the Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India relating to the special businesses to be transacted at the meeting as set out in Items No. 5 to 6 is annexed hereto. Additional information, pursuant to regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is also annexed hereto.

2. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide general circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021, 02/2022 dated May 5, 2022, 10/2022 and 11/2022 dated December 22, 2022 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") has, vide circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/DDHS/DDHS/CIR/P/2021/21 dated February 26, 2021, SEBI/HO/DDHS/DDHS_Div2/P/CIR/2021/697 dated December 22, 2021, SEBI/HO/DDHS/DDHS_Div2/P/CIR/2022/079 dated June 3, 2022, and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively referred to as "SEBI Circulars") permitted companies to conduct annual general meeting ("AGM") through video conference ('VC') or other audio-visual means ('OAVM'), subject to compliance of conditions mentioned therein. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the company is being conducted through VC or OAVM.

3. The members can join the AGM through VC/OAVM mode between 60 minutes before and 30 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on a first-come, first-served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the audit committee, nomination and remuneration committee, stakeholder relationship committee, auditors, etc., who are allowed to attend the AGM without restriction on a first-come, first-served basis.

4. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Since the AGM is being held pursuant to the MCA and SEBI Circulars through VC/OAVM, the physical

attendance of members has been dispensed with. Accordingly, the proxy form and attendance slip are not annexed to this notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members, such as the President of India or the Governor of a State or body corporate, can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. Members are requested to notify immediately the change of their name, postal address, email address, mobile number, PAN, nomination, and bank particulars, if any, to their depository participants, if the shares are held by them in electronic form and to the registrar and share transfer agent ("RTA") of the company, i.e., Link Intime India Pvt. Ltd., if shares are held in physical form, as available on the website of RTA at https://web.linkintime.co.in/KYC-downloads.html in prescribed Form ISR-1 and other forms pursuant to SEBI circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023. Members holding shares in physical form are requested to submit a duly filled-out form along with all necessary documents to the RTA at C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai 400083. Members are advised to exercise due diligence and not leave their demat account(s) dormant for long. They should obtain a periodic statement of holdings from the concerned depository participant and verify it.

7. Members are requested to contact the company's registrar and share transfer agent, M/s. Link Intime India Private Limited ("LIIPL"), contact person Mr. Pradip Bhattacharya [Phone: (033) 40049728/40731698, Email ID: kolkata@linkintime.co.in], if they have any queries or for redressal of their complaints, or contact Mr. Lawkush Prasad, Company Secretary and VP- Legal of the company, at the registered office of the company [Phone: (033) 40840600; Email: secretarial@greenpanel.com]

8. Queries on the accounts and operations of the company, if any, may be sent either by email at investor.relations@greenpanel.com or by post at the registered office of the company, addressed to 'The Company Secretary' at "Thapar House," 2nd Floor, 163, S.P. Mukherjee Road, Kolkata-700026, at least seven working days in advance of the meeting so that the answers may be made readily available at the meeting.

9. Since securities of the company are to be traded compulsorily in dematerialized form as per the SEBI mandate, members holding shares in physical form are requested to get their shares dematerialized at the earliest.

10. As per Regulation 40 of the Listing Regulations, securities of the listed companies can only be transferred in demat form with effect from April 1, 2019, except in cases of a request for transmission or transposition of securities. In view of this, to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to dematerialize their physical shares. Members can contact the company or RTA for assistance in this regard.

11. The above amendment does not impact the member's requests for transmission or transposition of securities held in physical form.

    The member may approach the nearest depository participant or browse through the websites of National Securities Depository Limited (https://nsdl.co.in/) and Central Depository Services Limited (www.cdslindia.com) for further clarification in this regard. Members are requested to contact the company's registrar and share transfer agent, LIIPL, for any queries in regard to the aforesaid, or contact Mr. Lawkush Prasad, Company Secretary and VP-Legal of the company, at the registered office of the company [Phone: (033) 40840600; Email: secretarial@greenpanel.com].

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of a permanent account number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit PAN details to their depository participants, with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the registrar and share transfer agent, LIIPL. Members may register their PAN themselves with the RTA through the link: https://web.linkintime.co.in/KYC-downloads.html

13. The businesses set out in the notice will be transacted through an electronic voting system, and the company is providing facilities for voting by electronic means.

14. In compliance with the MCA and SEBI Circulars, notice of the AGM along with the Annual Report 2022–23 is being sent only through electronic mode to those members whose email addresses are registered with the company's registrar and share transfer agents/depository participants(s). Members may note that the notice and annual report 2022-23 will also be available on the company's website (www.greenpanel.com), websites of the stock exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also disseminated on the website of LIIPL, (agency for providing the remote e-voting facility and e-voting facility during the AGM) i.e., https://web.linkintime.co.in

15. In line with the Ministry of Corporate Affairs' green initiative measures, the company hereby requests that the members who have not registered their email addresses so far register their email addresses to receive all communication from the company, including annual reports, notices, circulars, etc., electronically.

16. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations (as amended), and MCA and SEBI Circulars, the company is providing the facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the company has entered into an arrangement with LIIPL to facilitate voting through electronic means as the authorised e-voting agency. The facility of casting votes by a member using remote e-voting, as well as the e-voting facility during the AGM, will be provided by LIIPL.

17. Members who have cast their vote by remote e-voting may attend the meeting but will not be able to vote at the meeting. The company shall provide the facility of e-voting at the AGM. Members who are present at the AGM through the VC/OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting facility available at the AGM.

18. If any votes are cast by the members through e-voting available during the AGM and if the same members have not participated in the meeting through the VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.

19. Relevant documents referred to in the accompanying notice or explanatory statement are open for inspection by the members at the AGM through the electronic facility and such documents will also be available for inspection in physical or electronic form at the registered office on all working days, except Saturdays, from 11:00 a.m. to 1:00 p.m. up to the date of the AGM. Further, the notice for the AGM, along with the requisite documents and the annual report for the financial year ended March 31, 2023, shall also be available on the company's website, www.greenpanel.com.

20. The register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013; the register of contracts or arrangements in which directors are interested, maintained under Section 189 of the Companies Act, 2013 read with rules issued thereunder; and all other documents referred to in the accompanying notice will be available for inspection by the members in electronic mode at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the meeting upon log-in to the LIIPL e-voting system at https://instavote.linkintime.co.in

21. The board of directors of your company has appointed Mr. Dilip Kumar Sarawagi, Practising Company Secretary, proprietor of M/s. DKS & Co., of 173, M. G. Road, 1st Floor, Kolkata 700007, as the scrutinizer for conducting the remote e-voting and e-voting at the AGM in a fair and transparent manner.

22. Only those members, whose names are recorded in the register of members or in the register of beneficial owners maintained by the depositories as of the cut-off date, i.e., June 20, 2023, shall be entitled to avail themselves of the facility of remote e-voting as well as e-voting at the meeting.

23. The results of remote e-voting and e-voting at the AGM shall be aggregated and declared after the AGM by the Executive Chairman or by any other person duly authorised in this regard.

24. The voting rights of members shall be in proportion to their shares of the total paid-up equity share capital of the company as of the cut-off date.

25. Members who have cast their vote by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again or change it subsequently.

26. The scrutinizer shall, after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-voting at the AGM in the presence of at least two witnesses not in the employment of the company and shall make and submit, within 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Executive Chairman or a person authorised by him in writing, who shall countersign the same and declare the results of the voting within 48 hours of the AGM.

27. The notice of the AGM shall be placed on the website of the company and LIIPL till the date of the AGM. The results declared, along with the scrutinizer's report shall be placed on the company's website www.greenpanel.com, and on the website of LIIPL immediately after the declaration of voting result by the Executive Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchange(s) where the shares of the company are listed. Further, the results shall be displayed on the noticeboard at the registered office of the company.

28. In case you have any queries or issues regarding e-voting, you can send an email to RTA at enotices@linkintime.co.in or write to Mr. Lawkush Prasad, Company Secretary and VP-Legal of the company, at "Thapar House", 2nd Floor, 163, S.P. Mukherjee Road, Kolkata – 700026, Phone: (033) 40840600; Email: secretarial@greenpanel.com.

29. Since the AGM will be held through VC or OAVM, the route map is not annexed to this notice.

30. **Remote e-voting instructions for shareholders:**

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or can access various ESP portals directly from their demat accounts.

The remote voting period begins on June 23, 2023, at 9:00 a.m. and ends on June 26, 2023, at 5:00 p.m. During this period, members of the company, holding shares either in physical form or in dematerialized form as of the cut-off date of Tuesday, June 20, 2023, may cast their vote electronically. The remote e-voting module shall be disabled by LIIPL for voting thereafter. A person who is not a member as of the cut-off date should treat this notice for informational purposes only.

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of the Listing Regulations, listed entities are required to provide remote e-voting facilities to their shareholders in respect of all shareholder resolutions. However, it has been observed that the participation of the public, non-institutional shareholders, and retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facilities to listed entities in India. This necessitates registration on various ESPs and the maintenance of multiple user IDs and passwords by the shareholders.

To increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting for all the demat account holders, by way of a single login credential through their demat accounts or the websites of depositories or 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 the ease and convenience of participating in the e-voting process.

The login method for individual shareholders holding securities in demat mode is given below:

i. Individual Shareholders holding securities in demat mode with NSDL.

a. Existing IDeAS users can visit the e-Services website of NSDL; https://eservices.nsdl.com either on a personal computer or on a mobile device. On the e-Services home page, click on the "Beneficial Owner" icon under "Login," which is available under 'IDeAS' section. This will prompt you to enter your existing user ID and password. After successful authentication, you will be able to see e-voting services under "value-added services. Click on "Access to e-voting" under e-voting services, and you will be able to see the e-voting page. Click on the company name or e-voting service provider name, i.e., LINKINTIME, and you will be redirected to the "InstaVote" website for casting your vote during the remote e-voting period.

b. If you are not registered for IDeAS e-Services, the option to register is available at https://eservices.nsdl.com select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

c. Visit the e-voting website of the NSDL. Open a web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile device. Once the home page of the 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 held with NSDL), password or OTP, and a verification code as shown on the screen. After successful authentication, you will be redirected to the NSDL depository site, where you can see the e-voting page. Click on the company name or e-voting service provider name, i.e., LINKINTIME, and you will be redirected to the "InstaVote" website for casting your vote during the remote e-voting period.

ii. Individual Shareholders holding securities in demat mode with CDSL

a. Users who have opted for the CDSL Easi or Easiest facility can login using their existing user ID and password. The option will be made available to reach the e-voting page without any further authentication. Users wishing to login to Easi / Easiest are requested to visit the CDSL website at www.cdslindia.com, click on the login icon and the new system My Easi tab, and then use their existing Easi / Easiest username and password.

b. After successful login, the Easi or Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the company. On clicking the e-voting option, the user will be able to see the e-voting page of the e-voting service provider, i.e., LINKINTIME, for casting your vote during the remote e-voting period or joining a virtual meeting and voting during the meeting. Additionally, there are also links provided to access the systems of all e-voting service providers, so that the user can visit the e-voting service providers' websites directly.

c. If the user is not registered for Easi or Easiest, the option to register is available at the CDSL website, www.cdslindia.com. and click on login and the New System Myeasi Tab, and then click on the registration option.

d. Alternatively, the user can directly access the e-voting page by providing the demat account number and PAN number from an e-voting link available on the www.cdslindia.com home page. The system will authenticate the user by sending an OTP to the registered mobile and email as recorded in the demat account. After successful authentication, the user will be able to see the e-voting option where the e-voting is in progress and also be able to directly access the systems of all e-voting service providers.

III. Individual shareholders (holding securities in demat mode) login through their depository participants:

You can also login using the login credentials of your demat account through your depository participant registered with NSDL or CDSL for the e-voting facility. After a successful login, you will be able to see the e-voting option. Once you click on the e-voting option, you will be redirected to the NSDL/CDSL Depository site after successful authentication, where you can see the e-voting feature. Click on the company name or e-voting service provider name, i.e., Link Intime, and you will be redirected to the e-voting service provider's website for casting your vote during the remote e-voting period.

31. The login method for individual shareholders holding securities in physical form non-individual shareholders holding securities in demat mode are listed below:

Individual shareholders of the company holding shares in physical form or non-individual shareholders holding securities in demat mode as of the cut-off date for e-voting may register for the e-voting facility of Link Intime as follows:

i. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

ii. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details:

A. User ID: Shareholders holding shares in physical form shall provide the event number and folio number registered with the company. Shareholders holding shares in an NSDL demat account shall provide an 8-character DP ID followed by an 8-digit client ID; shareholders holding shares in a CDSL demat account shall provide a 16-digit beneficiary ID.

B. PAN: Enter your 10-digit permanent account number (PAN). Shareholders who have not updated their PAN with the depository participant (DP) or company, may use the sequence number provided to them, if applicable.

C. DOB/DOI: Enter the date of birth (DOB) or date of incorporation (DOI) (as recorded with your DP or Company in DD/MM/YYYY format) .

D. Bank Account Number: Enter your bank account number (last four digits), as recorded with your DP/company.

*Shareholders holding shares in ***physical form*** but who have not recorded the details as mentioned in 'C' and 'D' above, shall provide their folio number in 'D' above.

*Shareholders holding shares in ***Demat form***, shall provide 'D' above.

- Set the password of your choice (the password should contain a minimum of 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet, and at least one capital letter).
- Click "confirm" (your password is now generated).

iii. Click on 'Login' under **'SHARE HOLDER'** tab.

iv. Enter your user id, password, and image verification (CAPTCHA) code and click on **'Submit.'**

32. Cast your vote electronically:

i. After a successful login, you will be able to see the notification for e-voting. Select the **'View'** icon.

ii. The e-voting page will appear.

iii. Refer to the resolution description and cast your vote by selecting your desired option, **"Favour or Against."** (If you wish to view the entire resolution details, click on the **'View Resolution'** file link.)

iv. After selecting the desired option, i.e., favour or against, click on **'Submit.'** A confirmation box will be displayed. If you wish to confirm your vote, click **'Yes'** else to change your vote, click on **'No'** and accordingly modify your vote.

33 Guidelines for Institutional shareholders:

Institutional shareholders (i.e., other than individuals, HUFs, NRIs, etc.) and custodians are required to log on to the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian,**

Mutual Fund, or Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution, authority letter/power of attorney, etc., together with an attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian, Mutual Fund, or Corporate Body'** login for the scrutinizer to verify the same.

34. Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request to enotices@linkintime.co.in or by contacting Tel: 022 – 4918 6000.

35. Helpdesk for Individual Shareholders holding securities in demat mode:

Individual shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through the depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual shareholders holding securities in demat mode with NSDL	Email: e-voting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual shareholders holding securities in demat mode with CDSL	Email: helpdesk.e-voting@cdslindia.com or contact at toll free no. 1800 22 55 33

36. Individual Shareholders holding securities in Physical mode has forgotten the password:

If an individual shareholder holding securities in physical mode has forgotten the user ID [Login ID] or password or both then the shareholder can use the "Forgot Password" option available on the e-voting website of Link Intime: https://instavote.linkintime.co.in

- Click on **'Login'** under **'SHARE HOLDER'** tab and further click 'forgot password?'
- Enter user ID, select mode, and enter image verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, password will be sent to his / her registered e-mail address. Shareholders can set the password of his/ her choice by providing the information about the particulars of the security question and answer, PAN, DOB/DOI, bank account number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for shareholders holding shares in physical form (i.e., share Certificate): Your User ID is event no + folio number registered with the company.

37. Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve user ID/ password are advised to use forget user ID and forget password option available at abovementioned depository/ depository participant's website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

38. Process and manner for attending the Annual General Meeting through InStaMeet:

Open the internet browser and launch the URL: https://instameet.linkintime.co.in and click on "Login"

- Select the **"Company"** and **'Event Date'** and register with your following details: -

i. **Demat Account No. or Folio No:** Enter your 16-digit demat account no. or folio no

  - Shareholders/ members holding shares in **CDSL demat account shall provide 16 digit beneficiary ID**
  - Shareholders/ members holding shares in **NSDL demat account shall provide 8 character DP ID followed by 8 digit client ID**
  - Shareholders/ members holding shares in **physical form shall provide folio number** registered with the company.

ii. **PAN:** Enter 10-digit permanent account number (PAN) (Members who have not updated their PAN with the depository participant (DP)/company shall use the sequence number provided by the Company/RTA)

iii. **Mobile No.:** Enter your registered mobile number.

iv. **Email ID:** Enter your email id, as recorded with your DP/company.

- Click "Go to Meeting" (You are now registered for InStaMeet and your attendance is marked for the meeting).

39. Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InStaMeet:

i. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id and mobile number at secretarial@greenpanel.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id and mobile number at secretarial@greenpanel.com. These queries will be replied to by the company suitably by email.

ii. Those shareholders who have registered themselves as a speaker will be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time.

iii. Shareholders will get confirmation of registration as speaker on first cum first served basis depending upon the limitation of number of maximum speakers.

iv. Shareholders will receive "speaker serial number" from LIIPL once they mark attendance for the meeting.

v. Other shareholders who do not get registered as speaker, may ask questions to the panelist, via active chat-board during the meeting.

vi. Please remember speaker serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number of the speaker for speaking.

40. Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InStaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

i. On the Shareholders VC page, click on the link for e-voting "Cast your vote"

ii. Enter your 16 digit demat account no. / folio no. and OTP (received on the registered mobile number/ registered email Id) received during registration for InStaMeet and click on 'Submit'.

iii. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

iv. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

v. After selecting the appropriate option i.e. favour/ against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

vi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

vii. Members, who will be present in the annual general meeting through InStaMeet facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the meeting. Members who have voted through remote e-voting prior to the annual general meeting will be eligible to attend and participate in the annual general meeting through InStaMeet. However, they will not be eligible to vote again during the meeting.

viii. Members are encouraged to join the meeting through their PC/tablets/ laptops connected through broadband for a better experience.

ix. Members are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

x. Please note that members connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

xi. In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on Tel. No.: 022-49186175.

Place: Gurgaon
Date: May 6, 2023

By order of the Board
For **Greenpanel Industries Limited**

Registered office:
Thapar House, 2nd Floor,
163, S.P. Mukherjee Road,
Kolkata - 700026

Lawkush Prasad
Company Secretary and VP-Legal
Membership No.: A18675

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013 (as amended) ("the Act"), the following explanatory statement sets out all material facts relating to the special businesses relating to items nos. 5 and 6 of the accompanying notice dated May 6, 2023.

Item Nos. 5 and 6

Mr. Salil Kumar Bhandari and Mr. Mahesh Kumar Jiwrajka were appointed as independent directors of the company on August 6, 2018 pursuant to Section 149 of the Act read with the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for a term of five years from August 6, 2018 to August 5, 2023.

On the recommendation of the nomination and remuneration committee, the board of directors of the company, in its meeting held on May 6, 2023, considered the contributions made by them during their tenure and opined that the continued association of Mr. Salil Kumar Bhandari and Mr. Mahesh Kumar Jiwrajka would be beneficial for the company. The board of directors, in its meeting held on May 6, 2023, approved the reappointment of Mr. Salil Kumar Bhandari (DIN: 00017566) and Mr. Mahesh Kumar Jiwrajka (DIN: 07657748), as independent directors of the company for a second term of 5 consecutive years from August 6, 2023, to August 5, 2028, subject to the approval of members at the general meeting. During their tenure as independent directors, they shall not be liable to retire by rotation.

The company has received consent letters together with a declaration from Mr. Salil Kumar Bhandari (DIN: 00017566) and Mr. Mahesh Kumar Jiwrajka (DIN: 07657748) to the effect that they are interested in acting as independent directors of the company for a second term of five (5) years and that they meet the criteria of independence as required under the provisions of Section 149(6) of the Act, the rules framed thereunder, and Regulation 16(1)(b) of the Listing Regulations.

The company had also received declarations from the above directors at the beginning of the financial year 2023–24, confirming that they are not disqualified from being appointed as directors in terms of Section 164 of the Act and that no order of the Securities and Exchange Board of India or any other such authority has been passed against them debarring them from accessing the capital markets and restraining them from holding the position of director in any listed company.

Mr. Salil Kumar Bhandari and Mr. Mahesh Kumar Jiwrajka have also confirmed that they are registered with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

A brief profile of Mr. Salil Kumar Bhandari and Mr. Mahesh Kumar Jiwrajka, Independent Directors, pursuant to para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions, is provided in the table below:

Name of the Director	**Mr. Salil Kumar Bhandari (DIN: 00017566)**	**Mr. Mahesh Kumar Jiwrajka (DIN: 07657748)**
Father's Name	Late Ranjeet Singh Bhandari	Late Sankar Lal Jiwrajka
Date of Birth	November 28, 1957	June 3, 1955
Age	65 years	67 years
Date of first appointment on the Board of the Company	06.08.2018	06.08.2018
Expertise in specific functional areas	He is the founder of BGJC & Associates LLP, an audit and management consulting firm in New Delhi. Earlier, he'd held positions in various organisations, like former president of the PHD Chamber of Commerce and Industry, chairperson of the Society for Integrated Development of the Himalayas, and Child Fund India. Member of Task Force - Commission on Centre-State Relations, Govt. of India. He was a member of the managing committee of ASSOCHAM and the Advisory Committee of department of Company Affairs, Govt. of India.	He belonged to the Indian Forest Service, Maharashtra Cadre (March 1, 1977, to March 31, 2009), and took voluntary retirement on March 31, 2009. Among his various positions, he was also the Inspector General of Forests and Head, North-East Cell, Ministry of Environment and Forests, Government of India. He has extensive experience handling a host of environmental issues. In addition, he has held the following positions: Member Secretary, High Power Committee for the North Eastern Region, constituted by the Hon'ble Supreme Court of India (1998–2016), member of the Special Investigation Team, constituted by the Hon'ble Supreme Court of India (February 13, 2000–2016); Member Secretary, Central Empowered Committee, constituted by the Hon'ble Supreme Court of India (May 9, 2002–2016); and Member, CAMPA, constituted by the Hon'ble Supreme Court (May 2005–2016).
Qualification	Fellow Chartered Accountant from ICAI, B. Com (Hons.) from Shri Ram College of Commerce, Delhi, and Diploma in Business Administration from All-India Council for Management Studies, Chennai.	B.Sc. (Physics Hons) and Postgraduate Diploma in Forestry.

Name of the Director	Mr. Salil Kumar Bhandari (DIN: 00017566)	Mr. Mahesh Kumar Jiwrajka (DIN: 07657748)
Terms and conditions of reappointment	The terms and conditions of their appointment as independent directors would be available for inspection and would be uploaded on the website of the company at www.greenpanel.com	
Last drawn remuneration	Sitting fees of ₹5,30,000 and commission of ₹10,00,000 were paid during the financial year 2022–23.	Sitting fees of ₹6,50,000 and commission of ₹10,00,000 were paid during the financial year 2022–23.
Remuneration sought to be paid	The above directors would be entitled to remuneration by way of sitting fees and commission of ₹10,00,000 per annum, in line with the remuneration payable to the other independent directors of the company.	
Directorship held in other companies including listed companies	Hindware Home Innovation Limited Syenergy Environics Ltd. Ginni International Ltd. Hindware Ltd. Safal skills development Pvt. Ltd. and Integrated outsourcing solutions Pvt. Ltd.	Steer consultancy Pvt. Ltd. and Gold Line Portfolio Pvt. Ltd.
Chairman/member of the committee of the Board of Directors of the Company	**Chairman :-** 1. Audit committee 2. Nomination and remuneration committee	**Chairman :-** 1. Stakeholder relationship committee 2. Corporate social responsibility committee **Member:-** 1. Audit committee 2. Nomination and remuneration committee
Chairman/member of the committee of the Board of Directors of other companies in which he/she is a director	**Chairman :-** **Hindware Home Innovation Limited –** audit committee, nomination and remuneration committee and stakeholder relationship committee **Hindware Limited –** Corporate social responsibility committee **Member:-** **Ginni International Limited -** Nomination and remuneration committee	NIL
Number of shares held in the Company	5000	NIL
Number of board meetings attended during the financial year 2022-23	5	5
Relationship with other directors, manager and KMPs of the company	None	None
skills and capabilities required for the role of independent director and the manner in which they meet the requirements	Understanding of Business and Industry, understanding of finance and related aspects, HR/people orientation, Risk management, Knowledge of technology and innovation The nomination and remuneration committee has assessed Mr. Bhandari and Mr. Jiwrajka and found that they have the skills and capabilities required for the role of independent directors.	
Summary of the performance evaluation of the said directors	As per the performance evaluation of Mr. Bhandari made by the board of directors of the company in their meeting held on January 30, 2023, his performance was outstanding.	As per the performance evaluation of Mr. Jiwrajka made by the board of directors of the company in their meeting held on January 30, 2023, his performance was outstanding.

The board of directors recommends the re-appointment of Mr. Salil Kumar Bhandari and Mr. Mahesh Kumar Jiwrajka as independent directors of the company for a further term of 5 years. The board of directors of the company opined that the company would immensely benefit from the re-appointment of Mr. Bhandari and Mr. Jiwrajka and recommends their re-appointment for a further period of five years as mentioned under items nos. 5 and 6 of the notice for the approval of the shareholders of the company.

Save and except for Mr. Salil Kuma Bhandari and Mahesh Kumar Jiwrajka in the resolution of their respective appointments, none of the other directors and/or key managerial personnel of the company and/or their relatives is/are concerned or interested, financially or otherwise, in the resolution set out at items nos. 5 and 6 of the accompanying notice.

Place: Gurgaon

Date: May 6, 2023

By order of the Board

For **Greenpanel Industries Limited**

Registered office:

Thapar House, 2nd Floor,
163, S.P. Mukherjee Road,
Kolkata - 700026

Lawkush Prasad

Company Secretary and VP-Legal
Membership No.: A18675

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosoure Requirement) Regulations, 2015)

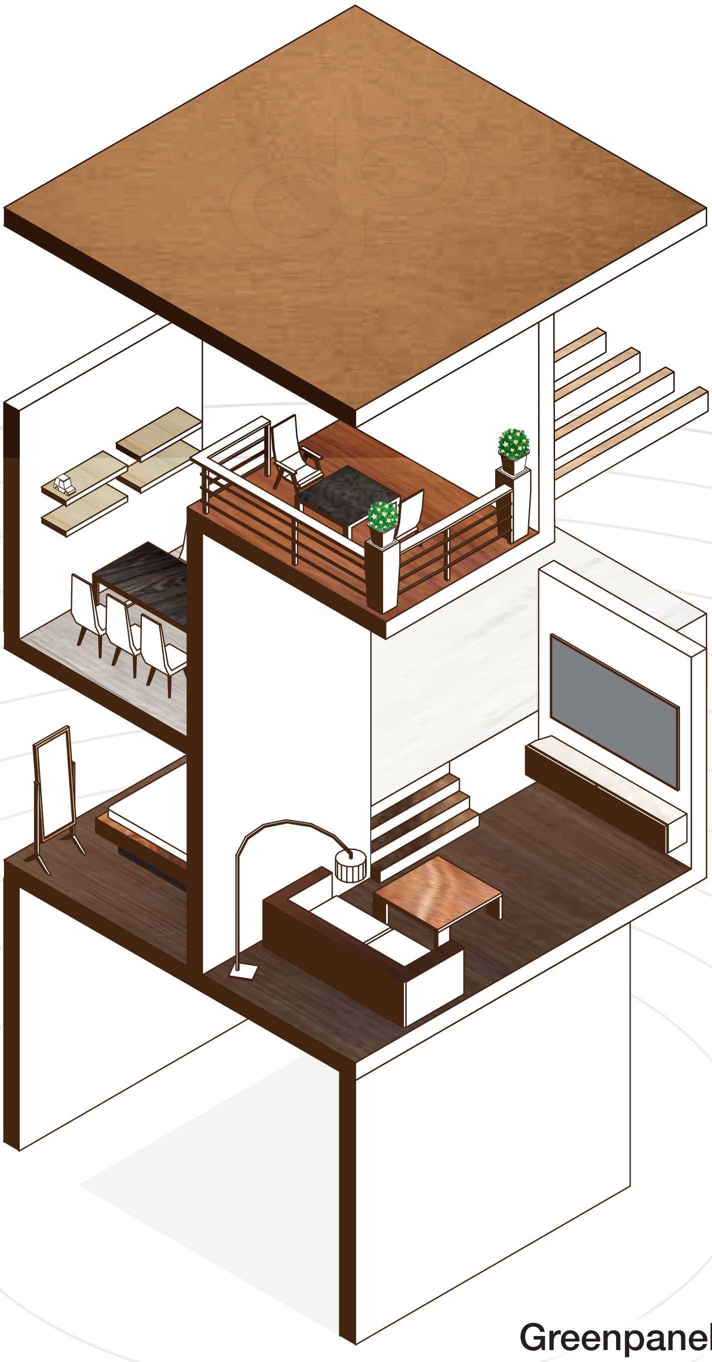
A brief profile of Mr. Shiv Prakash Mittal, Executive Chairman of the company, who is liable to retire by rotation, seeking reappointment at the ensuing annual general meeting, pursuant to para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings"), regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions, if any, is provided in the table below:

Name of the Director	Mr. Shiv Prakash Mittal (DIN: 00237242)
Father's Name	Late Sanwarmal Palriwal
Date of Birth	April 7, 1949
Age	74 years
Date of first appointment on the Board of the Company	December 13, 2017
Expertise in specific functional areas	Mr. Shiv Prakash Mittal is a founder member of Greenply Industries Limited and has served as its chairman for over two decades. He was also associated with Kitply Industries Limited for 21 years and has over fifty years of experience in the fields of production and marketing in plywood, laminates, and allied products.
Qualification	B.Sc. from the University of Calcutta.
Terms and conditions of reappointment	Offers himself for reappointment with the existing terms of appointment.
Last drawn remuneration	Mr. Mittal drawn remuneration of ₹910.28 lacs for the financial year 2022-23.
Remuneration sought to be paid	As per the existing terms of appointment.
Directorships held in other companies	1. Greenlam Industries Limited 2. Prime Holdings Private Limited 3. Bluesky Projects Private Limited 4. Niranjan Infrastructure Private Limited 5. Vanashree Properties Private Limited 6. S. M. Management Private Limited
Chairman/member of the committee of the board of directors of the company	**Chairman:** a) Risk Management Committee b) Operational Committee **Member:** a) Audit committee b) Stakeholders' relationship committee c) Corporate social responsibility committee
Chairman/member of the committee of the board of directors of other companies in which he is a director. (Greenlam Industries Limited)	**Chairman:** Stakeholders' relationship committee **Member:** a) Nomination and remuneration committee b) Operational and finance committee
Number of shares held in the company	46,04,900 shares
Number of board meetings attended during the financial year 2022-23	5 out of 5 board meetings held during the year
Relationship with other directors, managers and KMPs of the company	Father of Mr. Shobhan Mittal, Managing Director and CEO

GREENPANEL

Sustaining leadership with resilience

Innovation. Prominence. Expansion.



Greenpanel Industries Limited

Annual Report 2022-23

Contents

ABOUT GREENPANEL INDUSTRIES LIMITED

Greenpanel Industries Limited is India's largest wood panel manufacturer offering MDF, plywood, flooring as key products across India through multiple SKUs. The Company's products are available across the country and are exported majorly in UAE and South-east Asian countries. Greenpanel enjoys a leadership position with a 27% market share in the organised MDF segment.

SCRIPCODE: BSE-542857 | NSE-GREENPANEL

Market capitalisation

₹3,336 crores

(NSE CLOSING PRICE OF ₹272.05) AS ON 31ST MARCH 2023.

More information at www.greenpanel.com

Sustaining leadership with resilience

The external environment remained challenging during FY2023. Arrival of low cost of imported MDF from Vietnam and Thailand impacted the domestic players. Further, rising input prices owing to high crude oil price led to margin pressure.

We understand that to maintain our leadership in the market, it means more than just doing a regular business. It requires resilience in the face of challenges and a commitment to sustainability. With a steadfast commitment to excellence and a resolute focus on customer satisfaction, Greenpanel proved that it has what it takes to weather any storm and emerge stronger than ever before.

At Greenpanel, our ability to invest in our future growth, and create an innovative product portfolio servicing the demand of a variety of our customers have led to the foundation that has been able to insulate the Company from external. Our resilient business model enables us to withstand challenges and adapt to the changing market demands. We remain committed to sustaining our leadership with resilience, prioritising innovative solutions, and providing high-quality products and services that meet the needs of our customers. Our team is dedicated to continual improvement, and we work tirelessly to stay ahead of the curve, pushing boundaries and setting up new standards. We aim to showcase our unwavering commitment to excellence and resilience, inspiring our employees, customers, and stakeholders to push beyond their limits and achieve greatness.

The key to sustaining leadership:

Innovation

Read more_p 16

Prominence

Read more_p 18

Expansion

Read more_p 20

Highlights

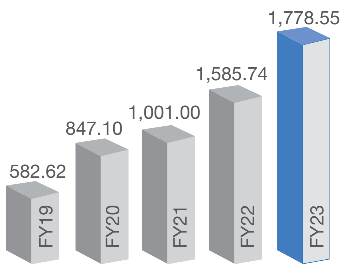
The year FY2023 proved to be a tumultuous one for the MDF sector, with various challenges cropping up along the way. Despite the numerous obstacles faced by the industry, we, at Greenpanel, were able to emerge triumphant, thanks to our innate capabilities and strengths. We have navigated through the difficulties with remarkable ease, and our performance across multiple parameters was nothing short of impressive.

Accelerating our growth momentum

Financial

Revenue (₹ crore)

1,778.55

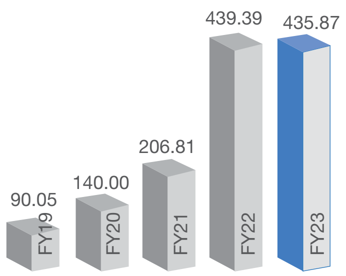


+12.16%
y-o-y

+28.05%
3-year CAGR

EBITDA (₹ crore)

435.87

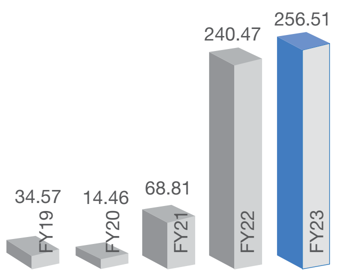


-0.80%
y-o-y

+46.02%
3-year CAGR

Profit after tax (₹ crore)

256.51

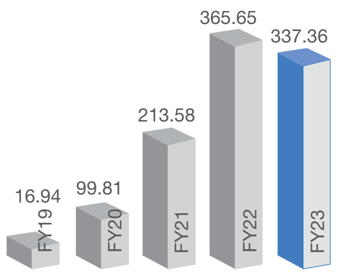


+6.67%
y-o-y

+160.80%
3-year CAGR

Operating cash flow (₹ crore)

337.36

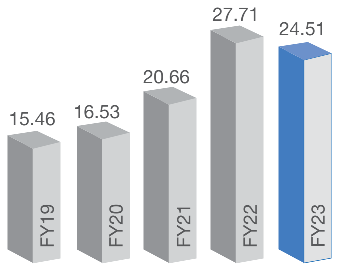


-7.74%
y-o-y

+50.07%
3-year CAGR

EBITDA margin (%)

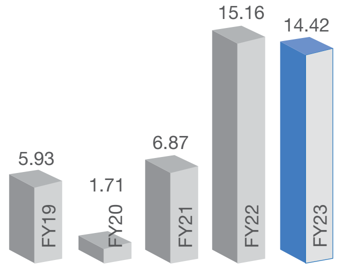
24.51



-320 bps
y-o-y

PAT margin (%)

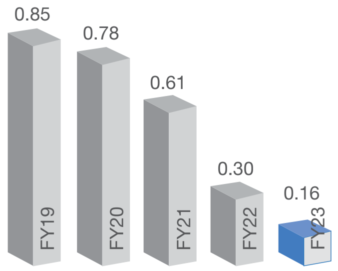
14.42



-74 bps
y-o-y

Debt-equity (X)

0.16



A+

CREDIT RATING UPGRADE BY ICRA & CARE IN FY23 FROM A

Net debt free

STATUS ACHIEVED THROUGH SUCCESSFUL DEBT REPAYMENT AND OPERATING CASH FLOWS THROUGHOUT THE YEAR

Strong working capital parameters

Working capital cycle

17 days

WORKING CAPITAL CYCLE FROM RESOURCE PURCHASE TO SALES RECEIPT IN FY23 AS COMPARED TO 16 DAYS IN FY22, THEREBY MAINTAINING CONSISTENCY

Working capital efficiency

20.73

REVENUE GENERATED FOR EVERY RUPEE OF WORKING CAPITAL DEPLOYED IN FY23 (₹)

Inventory days

31 days

TOTAL INVENTORY EXPRESSED IN DAYS OF TURNOVER EQUIVALENT IN FY23 REDUCED BY 7 DAYS OVER FY22

Receivables

9 days

RECEIVABLES EXPRESSED IN DAYS OF TURNOVER EQUIVALENT IN FY23 REDUCED BY 1 DAY OVER FY22

Payables

23 days

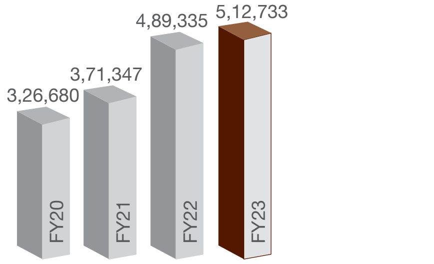
PAYABLES EXPRESSED IN DAYS OF TURNOVER EQUIVALENT IN FY23 REDUCED BY 9 DAYS OVER FY22

Highlights

Operational

MDF Production (CBM)

5,12,733

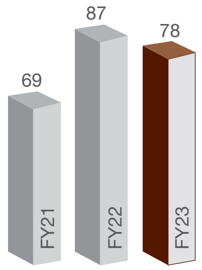


+4.78%
y-o-y

+16.21%
3-year CAGR

MDF Capacity utilisation (%)

78

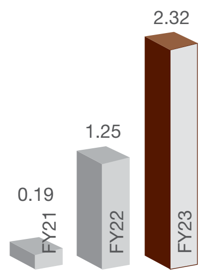


-900 bps
y-o-y

Non-financial

CSR spend (₹ crore)

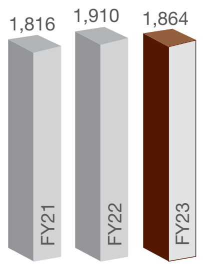
2.32



+85.6 %
y-o-y

Manpower (Nos.)

1,864



-2.41%
y-o-y

Greenpanel partnered with L&K Saatchi & Saatchi as an integrated agency to drive its branding and promotional activities. As a step forward, we have embarked on our first-ever massive consumer outreach, standing out amidst the clutter of advertising during this highly competitive season. The positioning of 'MDF ka doosra naam' resonates to the market leader positioning for us.

About Greenpanel

Greenpanel has emerged as synonymous with Medium Density Fibreboard (MDF) in India. We enjoy the reputation for producing high-quality MDF products and established ourselves as a leader in the industry. Our state-of-the-art manufacturing facilities and cutting-edge technology ensure that our products meet the highest standards of quality and durability. Our wide range caters to the diverse needs of our customers for various applications. Our expansive distribution network ensures our products seamlessly reaches our customers.

Sustaining leadership

THE CORE OF OUR VALUE SYSTEM

Vision

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

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

Mission

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

Values

Our Core Values are our guiding principles that helps us work as a team and achieve our common business goals.

Contemporary

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

Versatile

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

Transformative

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

Adaptable

We are nimble and quick to adapt to the changes as and when required.

Trustworthy

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

Eco-friendly

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

Key numbers that define Greenpanel

6,60,000 CBM
ANNUAL MDF PRODUCTION CAPACITY

10.50 Mn SQ.M
ANNUAL PLYWOOD PRODUCTION CAPACITY

2,300+
DISTRIBUTORS IN INDIA

12,000+
RETAILERS SERVING ACROSS INDIA

1,864
EMPLOYEE STRENGTH

17
BRANCHES

12 countries
EXPORT PRESENCE

Two Star Export House

Our commitment to excellence in the international market has been acknowledged by the Government of India, as we have been designated a Two-Star Export House. This recognition, is a reflection of our unwavering focus on quality, innovation, and customer satisfaction, and is a testament to our values and hard work. We are excited about the possibilities that lie ahead and eagerly anticipate the opportunity to partner with customers worldwide.

Tripartite Standards

Our Singapore office is proud to adopt the Tripartite Standards, an initiative that distinguishes Singapore's progressive employers. Complementing Singaporean laws, Tripartite Guidelines and Advisories enable the adoption of fair and progressive workplace practices.

Product portfolio

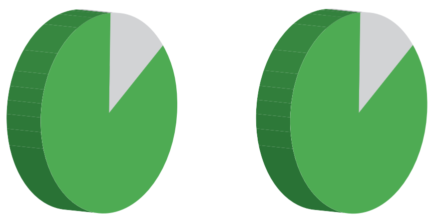
Medium Density Fibreboard (MDF)

Sub-segments

Interior grade	Pre-laminated
Club grade – HDF	Exterior grade
CARB P2	FR grade
Flooring	

Share of revenues

FY22 FY23



84% 86%

Read more_p 26

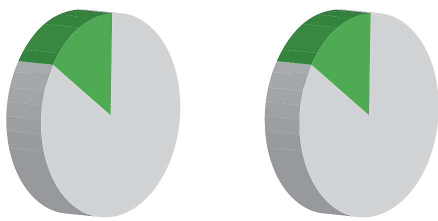
Plywood

Sub-segments

BWP grade	G Pro grade
Club grade	MR grade
Decorative Veneers	

Share of revenues

FY22 FY23



16% 14%

Read more_p 30

Flooring

Sub-segments

Prima Collection	Persona Collection

Doors

Sub-segments

Prima Collection

Investment case

As India's largest MDF manufacturer, Greenpanel has established itself as a distinguished player in the industry through its high-quality products, strong brand image, and singular focus on the segment. Our commitment to innovation, expansion and brand prominence has further solidified our position as a leader in the market, making it an appealing investment opportunity.

A compelling investment opportunity

01

Leading market position

Over the years, we have continuously invested in expanding our capacity while developing value-added products for growing demand of MDF. This has helped us gain market share in the fast-growing MDF sector which has a high entry barrier.

27%

MARKET SHARE IN THE INDIAN MDF INDUSTRY

02

Efficient working capital management

We have been continuously improving working capital cycle over the last four years. We have efficiently managed inventory and have better control over debtors, leading to better working capital management. Our best-in-class working capital days in the wood panel segment have allowed it to utilise incremental cash flow for debt repayment and expand capacity stretching.

Working capital cycle (days)

03

Consistent and profitable growth

Greenpanel has been delivering consistent and profitable growth, driven by the MDF segment. Our EBIDTA margin and PAT margin for FY23 stood at 24.51% and 14.42%, respectively, indicating strong profitability.

28.05%

CAGR IN REVENUE DURING FY20-23

46.02%

CAGR IN EBITDA DURING FY20-23

160.80%

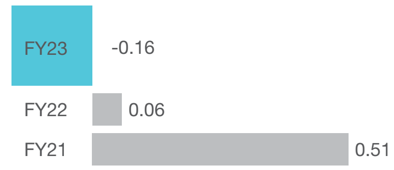
CAGR IN PAT DURING FY20-23

04

Optimal capital structure

Greenpanel has maintained an optimal capital structure which has led to the attainment of net debt-free status in FY23. Our focus on efficient working capital management has allowed us to expand its capacity without taking on much leverage on balance sheet. The optimal capital structure allows us to capitalise on emerging opportunities.

Net Debt-equity ratio



05

Long-term growth prospects

Greenpanel's capacity expansion and continuous improvement in capacity utilisation are expected to aid growth. The Company had increased its MDF capacity by 22% in FY22 and has plans to further expand its capacity by 35% with commercial production expected to start from Q1FY25. The expansion will be funded with a mix of internal accruals and debt.

6,60,000 CBM

CURRENT MDF CAPACITY

8,91,000 CBM

EXPECTED MDF CAPACITY BY FY25

Chairman's statement

With its durability, flexibility, and eco-friendly attributes, MDF empowers us to create innovative and sustainable solutions, fostering a resilient and forward-thinking approach to make Greenpanel a future-ready organisation.

Building a future-fit organisation

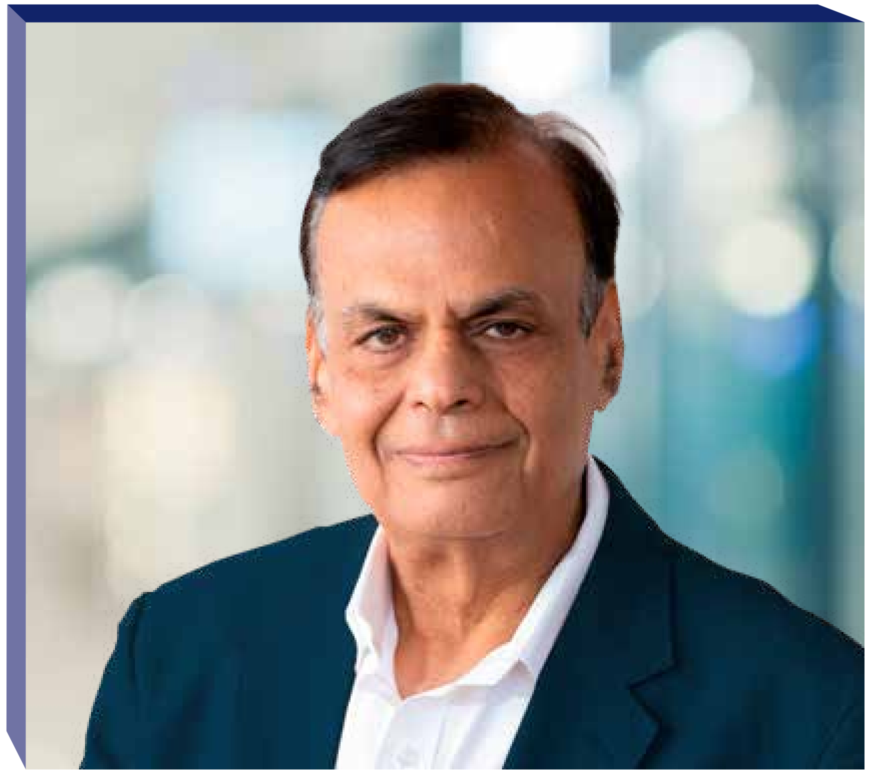
DEAR SHAREHOLDERS,

I am pleased to report the performance of the Company for FY23. Medium Density Fibreboard or MDF demand in India continues to be robust. However, cheaper imports led to supply abundance during the year, resulting in challenges for the domestic players. Besides, the increase in input prices, driven by global supply chain disruptions and growing energy prices, led to adverse impact on the margins. The surplus supply scenario also made it difficult for the industry to pass on the price increase to consumers. However, despite the challenges we faced, Greenpanel has shown remarkable resilience and emerged even stronger than before. As the largest MDF manufacturer in India, we have always believed in the power of innovation, hard work, and perseverance to overcome any obstacle, and this year has truly put those beliefs to the test.

We had two ways to respond to these challenges – to wait and watch for the market to correct or to take move aggressively and take multi-pronged initiatives to strengthen our business prospects.

What we decided, is to do the latter.

We focused our energy on innovation, market and capacity expansions and driving our market visibility.



Shiv Prakash Mittal
Executive Chairman

> **As the largest MDF manufacturer in India, we have always believed in the power of innovation, hard work, and perseverance to overcome any obstacle, and this year has truly put those beliefs to the test**

As imports became abundant, we explored newer export markets and started tapping new customers in the middle-east countries to drive sales. This helped us in utilising our capacity in excess of 75% throughout the year, helping us absorb the fixed cost. We explored newer markets in the country – the central and the north-eastern states where imported materials are unviable owing to unit economics. Further, we have made our marketing and sales team more granular and deployed district wise to shore up sales.

Innovation has always been the forte of Greenpanel and we continued to strengthen our portfolio with premium products, helping us add to our margins. Going ahead, we aim to derive 65% of our sales from the value-added products.

Driving brand visibility has been one of the key focus areas for us. During the year, we amped our marketing activities which not only helped us in driving our visibility but also helped in growing the market for MDF in India.

As a result of these efforts, we have been able to maintain our position as the market leader in the MDF segment in India. Our products continue to be in high demand, and we have even expanded our customer base. Our revenue and profitability have remained strong, and we have continued to invest in R&D and capacity expansion to meet the growing demand.

CHARTING THE NEXT PHASE OF GROWTH

We continue to remain upbeat about the future of MDF industry India. Rising pace of urbanisation, per capita disposable income and tourism and hospitality industry are expected to aid the growth of this sector in this country. Besides, the versatility and wide application of MDF have added to its growing popularity in the country. Considering these realities, we have embarked on the next phase of our growth and announced our capacity expansion project in Andhra Pradesh which will increase our capacities to 8,91,000 CBM by FY25 from the current 660,000 CBM. The ₹600 crores capex earmarked for the project is expected to be funded through a combination of internal accruals and debt fund. This will further strengthen our leadership in the market. The work is in full swing and we have achieved major milestones already.

GROWING WITH OUR COMMUNITY

It gives me great pleasure to highlight our Corporate Social Responsibility (CSR) initiatives in this annual report. We believe that our success as a company is inextricably linked to the well-being of the communities in which we operate. Therefore, we have taken proactive steps to integrate sustainable practices into our business operations, including plantation of trees, promoting employee well-being, and supporting social causes. We are committed to making a positive impact on society and will continue to prioritize CSR in all our endeavours.

₹2.32crore

CSR SPENDS IN FY23

We have implemented strict safety protocols to ensure the health and wellbeing of our employees and customers. Our supply chain resilience strategies have helped us mitigate the impact of disruptions, and we have made significant investments in technology to improve efficiency and reduce costs.

OUTLOOK

Our commitment of investing continuously to driving our growth aspirations vindicates our confidence on MDF as one of the fastest-growing in the wood panel segments. Besides, with sectoral entry barrier owing to high capex requirements, high share of organised players and our first mover advantage gives us strong room for growth going ahead and create substantial value for our stakeholders.

> **We have taken proactive steps to integrate sustainable practices into our business operations, including plantation of trees, promoting employee well-being, and supporting social causes.**

NOTE OF ACKNOWLEDGEMENT

In closing, I would like to thank our employees, customers, suppliers, and shareholders for their unwavering support and dedication, even during these challenging times. It is because of your resilience and commitment that we have been able to stay resilient and continue to report strong growth. We look forward to continuing our journey together and creating value for all our stakeholders.

Sincerely,

Shiv Prakash Mittal
Executive Chairman

Letter from the Managing Director & CEO

At Greenpanel, we look forward to the future with optimism, despite the temporary challenges, primarily because we expect a large part of the plywood segment would be replaced by MDF going forward.

Demonstrating strong resilience

Dear Shareholders,

The MDF industry in India faced several challenges during the year under review. The withdrawal of anti-dumping duty, coupled with a slowdown in Europe, resulted in cheaper imports from Thailand and Vietnam, leading to a demand-supply mismatch in the MDF category. Additionally, high crude prices exerted pressure on margins.

Despite these challenges, I am pleased to report that we delivered another year of strong performance. Our revenue grew by 12.16%, from ₹1,585.74 crore in FY2022 to ₹1,778.55 crore in FY2022. Our EBITDA was very similar to the last year at ₹435.87 crores in FY2022 compared to ₹439.39 crores in FY22 and net profit increased by 6.67%. Although input costs rose, causing a decline of 320 bps in our EBITDA margin and 74 bps in our PAT margin, we were able to maintain our pricing levels, with an average realisation of ₹33,432 per CBM in the domestic market in FY2023, compared to ₹29,451 per CBM in FY2022.

Our MDF business continues to be the Company's leading segment, accounting for 86% of the revenues in FY2023, with plywood contributing 14%. Our proactive measures to explore export markets helped us optimize our capacities better, resulting in 78% capacity utilization and effective absorption of fixed costs. We maintained our position as market leaders in India, with 27% market share.

Mr. Shobhan Mittal
Managing Director & CEO

We took a target of achieving net debt-free status by the FY2023 and I am happy to state that we were able to achieve it by the end of Q1FY2023, further reinforcing our commitment to the business.

We took a target of achieving net debt-free status by the FY2023 and I am happy to state that we were able to achieve it by the end of Q1FY2023, further reinforcing our commitment to the business.

UNDERSTANDING OUR PERFORMANCE

While the market remained challenging, our foresightedness and proactive business measure helped us navigate through the challenges effectively.

Optimising our product portfolio

While the market was flooded with the imported MDF, it was largely in the thin category, finding applications with the OEMs. Over the years of our existence, we have focused on augmenting our portfolio with increased share of value-added products, finding greater traction with the trade channels. The latest being the fire retardant MDF, the first-of-its-kind in the Indian market. This not only protected our sales but also helped us protect our realisations, despite the supply side glut. This was further supported by our constant push in driving our engagement exercise with the influencer community as well as the end consumers.

Widening our market

Our focus on growing the domestic market has started paying off. We explored the untapped Central and North-East markets and our multi-geography manufacturing presence helped us cater to these geographies. While demand from Europe remained depressed during the year for reasons more than one, we explored other attractive markets like the MENA region to drive our exports sales. During the year, we were accredited with Two Star Export House status by the Government of India.

Maintaining our working capital hygiene

We have continuously focused on strengthening our working capital cycle through a slew of measures. During the year, we maintained a working capital discipline of 17 days in line with the previous year of 16 days.

We associated with Delhi Capitals, a prominent franchisee of the Indian Premier League, one of the highest-watched sporting events in the world to drive our brand visibility. We launched our first-ever TVC with an apt message to capture the minds of our potential customers.

Amping up brand visibility

One of the key areas we lacked in the past was our branding activities. While we enjoy a strong brand equity in the market owing to our pioneering initiatives in the industry, it needed a greater push for us to emerge as a household name in a sector still in the nascent stage in India. We associated with Delhi Capitals, a prominent franchisee of the Indian Premier League, one of the highest-watched sporting events in the world to drive our brand visibility. We launched our first-ever TVC with an apt message to capture the minds of our potential customers.

STRONG FUTURE OF MDF IN INDIA

MDF in India has witnessed rapid expansion in the past few years. This is evident by the strong consumer demand as well as expansion of capacity by the industry. The production capacity has grown by more than 15x from 0.15 million CBM in 2010 to 2.30 million CBM in 2022. Further, it is expected to witness a CAGR of 15-20% between 2023-2028. The product is sustainable and gradually replacing the cheaper segment of the plywood market. Besides, its price advantage and versatility are making it an ideal replacement for other wood-based panel products. Further, the high capex intensity and other entry barriers make this industry highly organised unlike other wood-based panel products segments.

Considering the massive growth opportunities, we have embarked on the journey Greenpanel 2.1 and committed investments to the tune of ₹600 crores to expand capacities from 6,60,000 CBM to 8,91,000 CBM by FY2025. The state-of-the-art plant will have German machineries to ensure best-in-class quality and high operating efficiency. The project, funded through a mix of internal accruals and borrowed funds, is being executed in full swing. Upon completion, this will further consolidate our leadership position in the Indian MDF market.

OUTLOOK

The strong traction of MDF in the country gives us optimism to continuously invest in the business. Committed investments from our fellow colleagues only reinforces our trust in the future of the product in the country. We will continue to focus on expanding our distribution reach and introduce value-added products. Despite the additional debt we will be taking for expanding our capacity, our strong cash flow projection from the existing and upcoming capacity will help us pare down the additional debt periodically and continue to enjoy the net debt-free status. While the world is faced with uncertainties, the macro-Indicators in India tells a different outlook and we are extremely upbeat about the India story in a period touted as the Amrit Kaal for the country.

I would like to thank all our stakeholders for their continued support. I strongly believe the best is coming.

Regards

Shobhan Mittal
Managing Director & CEO

Feature story – Innovation

As an early mover in a sunrise sector, innovation is at the core of everything we do. We are dedicated to pushing the boundaries of what's possible, using the latest technologies and deep insights about the need of our customers to create high-quality products. We believe that innovation is the key to staying ahead in a dynamic industry, and we are committed to investing in research and development to ensure that we remain at the forefront of the market.

Pushing the boundaries of possibilities

At Greenpanel, our inhouse research and innovation team works relentlessly to create new possibilities in the segment. While the imports are largely in the thin category with lower margins, we worked more on the value-added segments to drive profitability. We have launched products like exterior, interior, club grade and pre-laminated products in the last few years. This has helped to be a contrarian in the industry – while MDF is largely preferred by the large manufacturers of ready-made furniture, we are selling majority of our products through distributors in the retail market. Besides, it has also helped us in maintaining our profitability. While the market for thin MDF is substantial, our calibrated approach towards value-added segment will help us stay ahead of the competitors crowding the thin MDF segment.

Expanding share of value-added in the portfolio

35% IN FY19 → **50%** IN FY23

Enhancing realisations	Increasing PAT Margin	Increasing EBITDA margin
₹30,283 per CBM IN FY23	14.42% IN FY23	24.51% IN FY23
₹21,614 per CBM IN FY19	5.93% IN FY19	15.46% IN FY19

TRULY A FIRE RETARDANT MDF

At Greenpanel, our relentless research efforts undertaken in the last few years have led to the launch of the first fire retardant MDF product in India. Unlike other companies, we have certified our product by one of the prominent testing agencies in the world which is well-known test labs that certify the FR properties of any product. We have a class one certificate, which is the best one worldwide. Our product is certified by CBRI (Central Building; Research Institute), a strong reference for the government departments. Besides, the product has been approved by The Central Institute of Road Transport (CIRT). It gives us a chance to get approved, specified, and applied to the entire vehicle manufacturing companies, bus manufacturing companies, and state transport companies like DTC in Delhi, Bangalore Transport in Karnataka, BEST, Punjab Roadways, UP Roadways among others.

Adding certain chemicals is necessary to make a product fire retardant, as density alone cannot achieve this. Our product line includes two ranges: club-grade HDWR, which has a density of approximately 850 kg, and an interior-use product aimed at both high-end and residential markets. In order to expand our customer base, we developed an interior FR-grade MDF with a density of 750 kg.

Feature story – Prominence

While we have created a portfolio of products synonymous with exceptional quality, it has become imperative for us to invest in advertisement and promotion to strengthen visibility of not only our products and company but for the industry as well. Hence, we are investing aggressively in branding and marketing to drive all India brand prominence.

Growing our visibility

LEVERAGING CRICKET TO CAPTURE THE COUNTRY'S PULSE

Cricket has massive popularity in India and is often referred to as a religion. It is the most watched and played sport in the country of 1.42 bn population, with millions of passionate fans and a thriving professional league. At Greenpanel, we decided to leverage this spectacular sport to catch attention of the country's ever-growing population.

The Company started the journey with on-ground perimeter display board advertising for the brand Greenpanel during the much-coveted Border-Gavaskar trophy between India and Australia held across four prominent cricket grounds in India. This helped the brand gaining massive visibility.

Sponsoring Delhi Capitals

Over the last 15 years, the Indian Premier League has emerged as one of the most anticipated cricketing events in India with massive viewership not only restricted to India but across various parts of the world. We are pleased to associate as principal partners with the Indian Premier League franchise, Delhi Capitals for three years. We are a young company and want to associate ourselves with the youth and young home buyers. Greenpanel is at the nascent stage in its brand journey and therefore this association will help the brand to establish itself in the consumers' mindset. We also associated with Delhi Capitals' sister team – the Pretoria Capitals, which participated in the inaugural season of the SA20. As a part of this association, Greenpanel will appear on Delhi Capitals and Pretoria Capitals' jerseys throughout the 2023 season. Along with being featured on matchdays, Greenpanel will be integrated into both teams' training jerseys as well.

Launch of TVC

We launched our first-ever TV commercial, "Greenpanel- MDF ka doosra naam," featuring David Warner, Prithvi Shaw, and Manish Pandey of the Delhi Capitals Team. The strategic marketing move leverages our IPL sponsorship to amplify brand awareness. The TVC takes a fresh approach to the conventional 'problem-solution' narrative by featuring candid moments of frustration and rage of the three stars on and off the field. A voiceover explains that the reason for their behaviour as they are upset that the one just made his furniture without Greenpanel MDF. It stood out amidst the clutter of advertising during this highly competitive season.

₹24crore

A&P spends in FY23 vs 18 crores in FY22

BUILDING FAITH AMONG INFLUENCERS

We engaged deeper with first-level product influencers (carpenters, contractors and architects), showcasing product capability and our quality standards.

Videos and SOPs for carpenters and contractors

We widened the application of Standard Operating Procedure (SOP) for carpenters and product installers, enhancing the effectiveness of the delivered solution. We also produced films on why MDF is the way forward.

Events for architects

We conducted customised and individual events for architects. We took part in various exhibitions in India, where architects were likely to be present, and we took the opportunity to introduce them to our innovative mix of products.

Magazine advertising

We enhanced magazine advertising to enhance visibility among architects and channel partners. Some of the popular magazines that we tied up with included Ply Reporter, and Business India.

RETAIL BRANDING

Greenpanel engaged in brand building on exterior walls along national highways, enhancing familiarity. We also enhanced signages and in-shop displays at outlets, especially in untapped tier 2 and 3 cities.

LEVERAGING DIGITAL PLATFORMS

Greenpanel Wood Floors' website

We grew the traction of its our wooden floors website to engage deeper with architects, channel partners and consumers. The website comprised a simulation feature through which the visitor could visualise different wood floor designs before arriving at a purchase decision.

Social media platforms

We introduced e-catalogues across product segments, and have also been working towards strengthening its digital presence.

Feature story – Expansion

Considering the possibilities in India's MDF segment, constant investments are required to stay ahead of the competition and sustain leadership in the market. By investing in state-of-the-art technology and equipment, we are substantially increasing our production capacity, enabling us to meet the growing demand for our products both domestically and internationally. It will help us capitalise on new opportunities for growth and success.

Embarking on Greenpanel 2.1

We are proud to announce the order of our third MDF plant from Dieffenbacher. This new plant will not only increase our production capacity but also help us in reducing our environmental impact, keeping us committed to our goal of sustainable manufacturing.

During FY2023, we went ahead and announced the commissioning of a new MDF plant at existing manufacturing unit in Chittoor, Andhra Pradesh, India with an additional installed capacity of 2,31,000 CBM per annum. The additional capacity will increase MDF production capacity of the company from 6,60,000 CBM per annum to 8,91,000 CBM per annum, an increase of ~35%. The estimated project cost is ₹600 crore which shall be funded by a mix of internal accruals and debt. The commercial production of the plant is expected to begin during first quarter of the FY2025.

We are proud to announce the order of our third MDF plant from Dieffenbacher. This new plant will not only increase our production capacity but also help us in reducing our environmental impact, keeping us committed to our goal of sustainable manufacturing. The new CEBRO line will include a DIEFFENBACHER fibre dryer, air grader, forming station and forming line, a CPS+ continuous press system including Press Emission Control System, the raw board handling system and the new Wireless STS raw board storage system. It also includes the digital service platform MyDIEFFENBACHER and EVORIS, DIEFFENBACHER's new plant digitalization solution. EVORIS is a great tool that will help us make even better decisions in the shortest possible time.

The capex will be partly funded through internal accruals and rest through debt. However, despite the additional debt for the project, we continue to remain net-debt free owing to strong operating cash flow generation projected during the next few years.

8,91,000 CBM

POST EXPANSION CAPACITY BY FY25

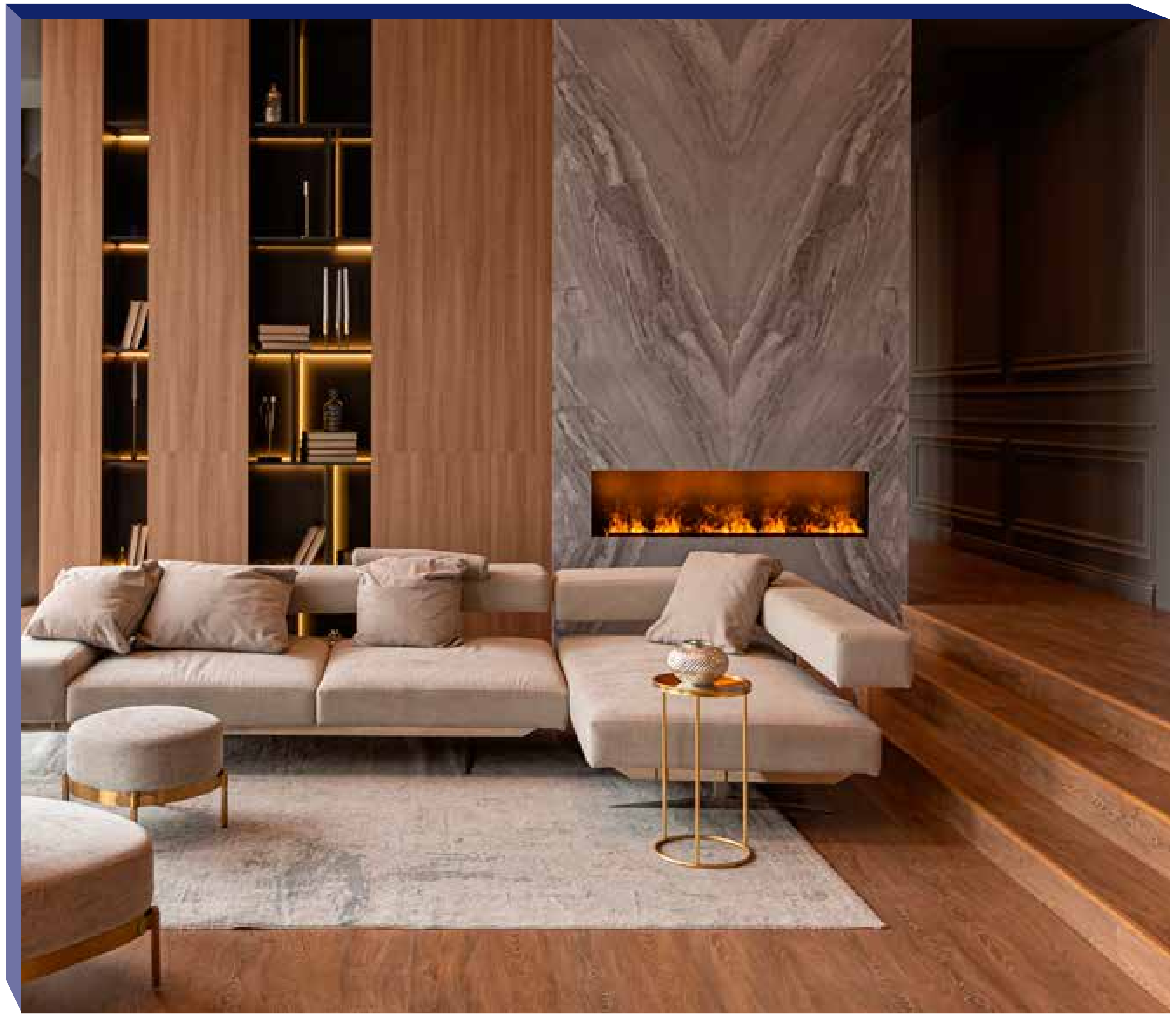
35 %

INCREASE IN CAPACITY POST EXPANSION

Operating context

Medium-density fibreboard (MDF) is gaining popularity in global markets due to its cost-effectiveness, versatility, and environmental responsibility. In India, the share of MDF in the wood panel sector is still quite low, but it is expected to rise due to its broad-based application usage in both vertical and horizontal applications.

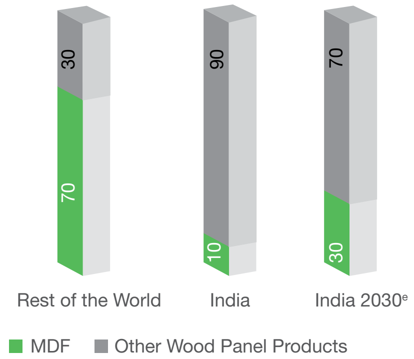
Evolving market dynamics



Indian MDF market scenario

Globally, MDF dominates the wood panel industry with a share of around 70%. However, in India, it currently holds only a 10%-15% share. In the future, it is expected that MDF will continue to gain market share from low and medium grade plywood, which comprises over 80% of the plywood market in India. The growth of the MDF industry in India from 0.15 million CBM in 2010 to 2.3 million CBM in 2022 suggests strong potential for further growth. In addition, the demand for MDF in India is increasing due to the rising preference for ready-made furniture and the opportunities presented by post-Covid exports.

Consumption of MDF vs other wood panel products



Source: SMFS Research

MARKET TRENDS

- In India, the demand for MDF was mainly met by imports from South-East Asian countries, which were of lower thickness. However, with the increase in domestic capacity, coupled with strong pent-up demand and slowdown in imports due to container availability issues and higher freight cost, there has been higher growth and margins for domestic MDF manufacturers.
- Organised players are increasingly focusing on value-added MDF products like pre-lam, high density, moisture-resistant, and fire-retardant MDF to protect share and margins.

MARKET DRIVERS

- MDF's inherent attributes and price competitiveness make it an ideal replacement for the mid and economy segments of plywood.
- MDF is manufactured from recycled wood, making it an environmentally responsible product, which encourages many countries to promote MDF products.
- The increasing preference for ready-made furniture and the rise in export opportunities post-COVID is also driving demand for MDF.

MARKET CHALLENGES

Although the demand for MDF is expected to remain strong, there is a likelihood of pricing pressure due to increasing imports and commercialisation of new capacity addition by the companies. This could lead to a correction in the current high margins enjoyed by MDF players.

GREENPANEL'S RESPONSE

- Capacity Expansion to meet growing demand for MDF in India and for export markets.
- Leveraging its innovation capability to develop and launch new products like fire-retardant MDF.
- Investing in branding to create a distinct customer value proposition and drive brand recall.

Value creation model

We prioritise delivering exceptional value by understanding and meeting the unique needs of our customers. Through continuous innovation, we stay at the forefront of our industry. Our efficient operations drive cost-effectiveness. our relentless focus on quality helps establish long-lasting relationships. Embracing collaboration and leveraging cutting-edge technologies, we create a solid foundation for growth.

Resources utilised

FINANCIAL RESOURCES

₹1,194 crore
NET WORTH

₹187 crore
NET OWNED FUND

MANUFACTURING CAPACITY

6,60,000 CBM
MDF CAPACITY

10.5 million sq. m
PLYWOOD CAPACITY

RAW MATERIALS

WOOD | SYNTHETIC RESINS | WAX

CSR EXPENDITURE

₹2.32 crore

Value creation process

Production, procurement, R&D activities

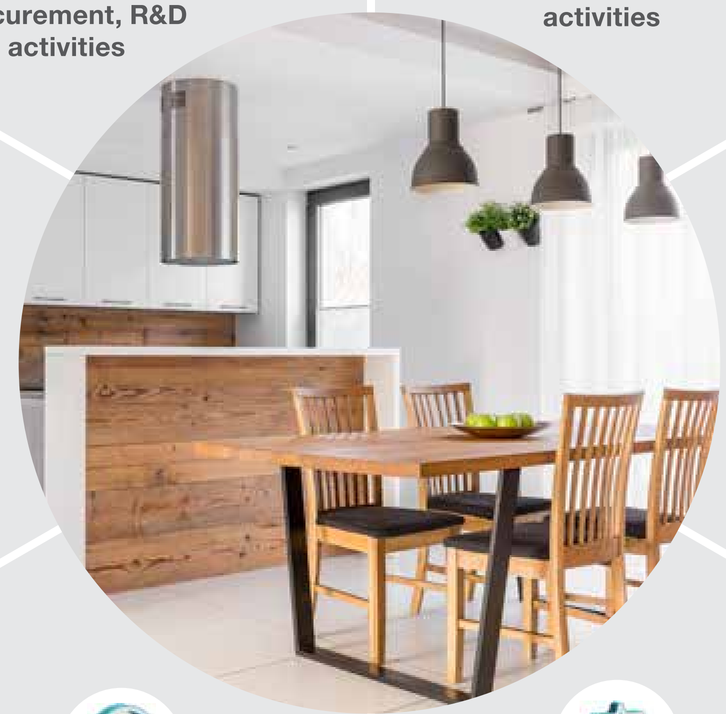
Marketing, sales and distribution activities

Financial activities

HR management activities

ESG activities

Legal activities



VALUE ENABLERS

Brand value

Infrastructure

Technology

Systems and processes

Value created

₹1,779 crore
REVENUE

₹436 crore
EBITDA

FR-MDF
NEW PRODUCTS LAUNCHED

12,000+
RETAIL POINTS

Delhi Capitals
ASSOCIATION AS PRINCIPAL PARTNER FOR IPL

Numbers for FY2023

Our business segments – Medium Density Fibreboards (MDF)

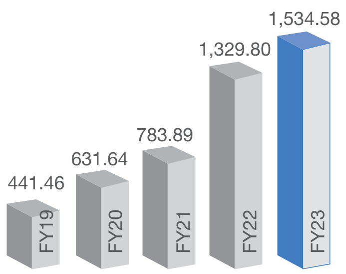
Being the largest and the first-mover in India's MDF sector, we are constantly focused on offering unmatched quality and range for our customers, made available through our deep distribution network.

Strengthening our leadership

Inspiring performance

MDF Revenue (₹ crore)

1,534.58

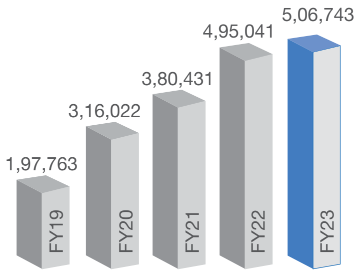


+15.40% y-o-y

+34.43% 3-year CAGR

Sales volume (CBM)

5,06,743

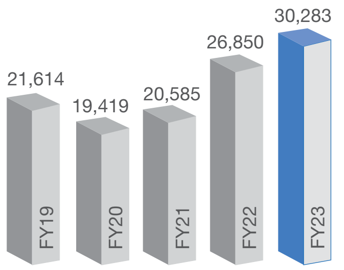


+2.36% y-o-y

+17.07% 3-year CAGR

Average realisation (₹ per CBM)

30,283



+12.79% y-o-y

+15.96% 3-year CAGR

MDF product range

Interior grade

(**Thickness**: 2.1-30 mm | **Size**: multiple sizes)

PROPERTIES

Finest regular density, high bonding strength, inherent stability, and easy machinability

APPLICATIONS

Cupboards, wall panels, tabletops, toys, trophies, handicrafts. Recommended for interiors only; not to be exposed to dampness and high humidity.

Exterior grade

(**Thickness**: 3.3-30 mm | **Size**: multiple sizes)

PROPERTIES

Greater density and strength, resistant to moisture, termite, and low formaldehyde emissions

APPLICATIONS

Semi-outdoor and outdoor furniture like garden tables and balcony chairs, etc..

Club grade

(**Thickness**: 3-18 mm | **Size**: multiple sizes)

PROPERTIES

High density, excellent water resistance, durability, dimensional stability, resistant to termites, virus, and fungus and borer proof

APPLICATIONS

Wet areas like kitchen, bathroom, cupboards, furniture, wall panelling, commercial spaces, interiors, etc.

Pre-laminated

(**Thickness**: 2.1-30 mm | **Size**: multiple sizes)

PROPERTIES

Moisture-resistant, scratch resistant, superior abrasion resistant, resistant to cracks and stains, and easy to maintain

APPLICATIONS

Suitable for kitchen cupboards, bathroom cabinets, etc

CARB & E-1

(**Thickness**: 2.1-30 mm | **Size**: multiple sizes)

PROPERTIES

Higher bending strength, load bearing capacity, screw holding capacity, very low formaldehyde emissions

APPLICATIONS

School and hospital furniture, kids' furniture and toys, modular furniture, workstations, cupboard shutters and TV cabinets

Fire-resistant MDF

(**Thickness**: 12 mm & 18 mm | **Size**: 2440mm x 1220mm)

PROPERTIES

Moisture-resistance, heat-resistance, termite and borer resistance

APPLICATIONS

Suited for a wide range of applications such as residences, hospitals, hotels, theatres, offices, schools, airports, exhibition halls, places of worships

Our business segments – MDF

Flooring product range

Prima collection

(10 years warranty)

Personal collection

(15 years warranty)

PROPERTIES

100% HDF base core, scratch resistant, moisture resistant, hygiene and easy to maintain

APPLICATIONS

Different ranges available for residential and various commercial flooring applications

Door Variants

Decorative Doors

Our decorative doors are available in three variants:

Natural teak doors -made with seasoned timbers that are treated with preservatives to improve their natural durability.

Laminated doors -available in 30 vibrant designs, including solid colours. They are scratch-free and easy to maintain.

Natural veneer doors - have a solid wood core and veneered surfaces. We use in-house phenolic resins and solutions for bonding the veneers to the core wood.

Commercial Doors

Our commercial doors are especially designed for enhanced strength and security. We also provide customised doors to add visions, louvers, special hinges, locks and rails.

How we have strengthened business during the year

New launch

At Greenpanel, we invest significantly in research and innovation to offer solutions that meets the practical problems of our consumers. During the year, we launched for the first time in India, Greenpanel FRMDF – the best grade of FRMDF available in the market. Available as FRMDF & FRMDF Club, these products not only restrict fire, but also don't form smoke. This was the result of a detailed research, with the help of cutting-edge technology and putting innovation-driven minds at work.

Enhancing exports presence

While domestic market saw supply from the import market, we explored new regions across the world to drive volume growth.

12 countries

EXPORTS PRESENCE OF GREENPANEL

Growing the domestic market

The MDF market in India is still nascent and requires consistent consumer awareness campaigns to broadbase the industry growth. Aligned with this, we have launched various consumer engagement initiatives including the launch of our first-ever TVC.

Outlook

Based a strong demand outlook, we will continue to strengthen our MDF business with a higher growth target and focused strategy.

SEGMENT OPTIMISM

The increased popularity of readymade furniture, especially since the outbreak of Covid, created conducive environment for the growth of the MDF industry. The MDF industry is poised for strong growth for the following reasons:

- Competitively priced against the conventional wood panel products
- Shorter lifecycle adding to replacement demand, aligned with the current trend of periodic upgradation of interiors and furniture
- High entry barrier owing to heightened capex requirements
- MDF is highly versatile and finds application beyond furniture in various products and solutions
- MDF has high sustainability quotient as it is made completely from plantation-based wood with highest use of the tree as raw material

OUR STRONG POSITIONING

- The first organised player to enter the market in India; enjoying first-movers advantage with the brand synonymous with MDF in India
- Strategically located manufacturing units in northern and southern parts of the country, catering to geographies accounting for 75% of the country's MDF demand. The South India plant's proximity to ports helped us in exploring the export markets conveniently
- Wide range of products helping cater the needs of individual customers as well as organised furniture manufacturers
- Focus on value addition/premiumisation to drive margins
- Direct distributor driven model for better control and higher product availability

Business segment – Plywood

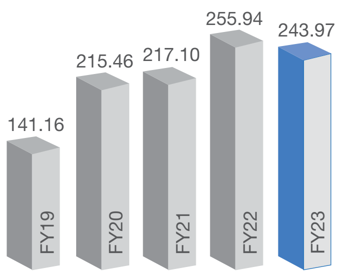
We have 4% share of the organised plywood market. With a capacity of 10.5 Mn sq. m, we manufacture premium grade plywood. Our strong retail touchpoints help us cater to our customers in target markets. Our advanced manufacturing technology ensure highest standards of quality and durability.

Carving a niche

Steady performance

Plywood revenue (₹ crore)

243.97

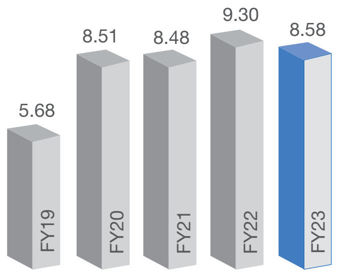


-4.68%
y-o-y

+4.23%
3-year CAGR

Sales volume (Mn sq. m)

8.58



-7.74%
y-o-y

+0.27%
3-year CAGR

Plywood product range

Club grade

PROPERTIES

High density and strength, surface finish characteristics, termite resistant, borer proof, excellent durability

APPLICATIONS

Suitable for both indoor and outdoor furniture, domestic and commercial buildings, and marine applications like boat, ship flooring, etc.

BWP* grade

PROPERTIES

Excellent durability against changing weather conditions, greater strength and stiffness, resistant to termite, fungus, borer and virus

APPLICATIONS

Outdoor furniture, shipbuilding and other marine applications, furniture and kitchen cabinet, interior design and fittings

MR grade

PROPERTIES

Moisture resistant, has a smooth surface, carpenter-friendly, and resistant to warping

APPLICATIONS

Best for partitions, panelling, door panels, cabins, and false ceilings. Furniture parts, lamps, interior designs, musical instruments, speakers.

G Pro grade

PROPERTIES

Made from eco-friendly timber, weatherproof, anti-fungal, borer resistant, can withstand dry heat.

APPLICATIONS

Joinery, furniture, interior designs, modular kitchen, cabinets, laminate industry, etc.

*Boiling Water Proof

HOW WE HAVE STRENGTHENED BUSINESS DURING THE YEAR

- Increased focus on delivery and market requirements to strengthen our plywood vertical.
- Consistent working capital discipline involving best inventory handling practices.
- Widened our distribution network and retailers to ensure products reach the maximum customers.
- Sponsoring in IPL and launching our first TV commercial in order to build the brand awareness across the nation.

SEGMENT OPTIMISM

The demand for high-quality plywood with uniform thickness, known as calibrated plywood, is seeing increased traction in the market as the market is undergoing a change towards high quality materials. The industry predicts that calibrated plywood's contribution to the total market will increase to 50% in the next few years, up from the current 20%. Key industry-driving trends influencing the growth of the sector include technology upgrades, innovation, automation, and a preference for sustainable materials among consumers.

OUR STRONG POSITIONING

- Our products enjoy the best-in-class bond quality
- Competitive edge with exclusive distributor network
- Our plywood range panels have versatile applications in residential and commercial interiors, furniture design and home decor products
- World-class manufacturing facility enabled by technology and automation

People

We believe that continuous learning experiences are not only the key to the growth of our team members in their career progression, but also important in the overall development of the organisation. We provide on-job guidance and training to the employees. We undertake periodic training initiatives for our team members to hone their skills.

Our people leading our growth

TRAINING AND DEVELOPMENT

We believe that continuous learning experiences are not only the key to the growth of our team members in their career progression, but also important in the overall development of the organisation. We provide on-job guidance and training to the employees. We undertake periodic training initiatives for our team members to hone their skills.

ENSURING GOOD HEALTH

At Greenpanel, we hold the belief that the cornerstone of our HSE commitment is the well-being of our employees. Our Company's objective is to regularly monitor the health of our employees and promote awareness of fitness. As a testament to this commitment, our medical team periodically travels to neighbouring villages to provide medication and improve health awareness. This effort serves as an extension of our dedication to promoting a healthy and safe workplace environment for all our employees. We have dedicated medical facilities at our plants which includes a first-aid room, and doctors and nurses. An ambulance has also been provided to cater to any emergency. A specialized reverse osmosis plant has been set up by us specifically to cater to the requirement of drinking water, and a separate team has been appointed to ensure that the water quality and quantity are regularly maintained.

ENSURING A SAFE WORKPLACE

'Zero Harm' has always been the key focus area for Greenpanel. We have taken multiple initiatives to ensure a safe workplace for our people. The key safety initiatives undertaken during the year includes:

- Provision of adequate safety equipment for our people at the workplace
- A Work Permit System is followed with Lockout and Tagout (LOTO) procedure wherever required to prevent accidents
- Conducted safety training for employees, in addition to Safety Committee meetings
- Monitored safe-persons hours
- Celebrated the National Safety Day 2023 with commitment to ensure a secure and hazard-free workplace
- Audited the fire protection equipment

Zero

ACCIDENTS REPORTED IN FY23

Environment

Greenpanel Industries Limited's dedication to preserving the environment is reflected in our various efforts. Our adoption of the ISO 14001:2015 international environmental management systems standard indicates unwavering commitment to achieving excellence in environmental management. Our pledge to continual improvement and sustainable practices is a testament to our management's long-term vision of maintaining a healthier, greener future for all.

Protecting and nurturing the environment

ISO 14001:2015 certification

IGBC certification




ENHANCING THE GREEN COVER

Enhancing green cover through tree plantation is a key initiative undertaken by us to for environmental conservation. Planting trees is a simple yet effective way to enhance the green cover and promote ecological balance and the most way of offsetting the impact of use of wood as raw material in our process. We use unused land to drive plantation activities.

15 million

SAPLINGS PLANTED DURING THE YEAR

50 million

SAPLINGS TO BE PLANTED BY FY25

WASTE MANAGEMENT

MDF as a product utilizes majority of the plants waste in the production process, thereby making it the most responsible product in the wood panel segment. Further, our state-of-the-art technology also ensures the best possible output for the raw materials used in our manufacturing process.

Our 5S training for the employees as part of the efforts to enhance housekeeping practices. The 5S initiatives, which include Sort out, Set in Order, Shine, Standardise, and Sustain, are reinforced through regular audits, training sessions, competitions, and recognition programs. Further, we have installed separate bins for collecting various types of waste generated during the manufacturing process. The waste is then either recycled, reprocessed, or disposed of. For instance, the company has partnered with brick manufacturers to utilize the fly ash produced by their energy plant.

EFFECTIVE WATER MANAGEMENT

Our inhouse water monitoring lab has been commissioned to check the quality of water we have in and around our plants. Further, through various initiatives, we are continuously optimising the use of water in our manufacturing process. Our rainwater harvesting system installed at Andhra Pradesh unit helps in the reduction of freshwater consumption. Our alternative sources of water usage or withdrawal includes natural sources like Surface water (FY2023- 3,23,904 KL) and Groundwater (FY2023- 72,098 KL) out of which total volume of water consumption during the year has been 3,70,033 KL. This process has helped in substantive reduction of freshwater consumption and effective management of water resources.

3.70 lakh KL

REDUCTION IN FRESHWATER CONSUMPTION IN FY23

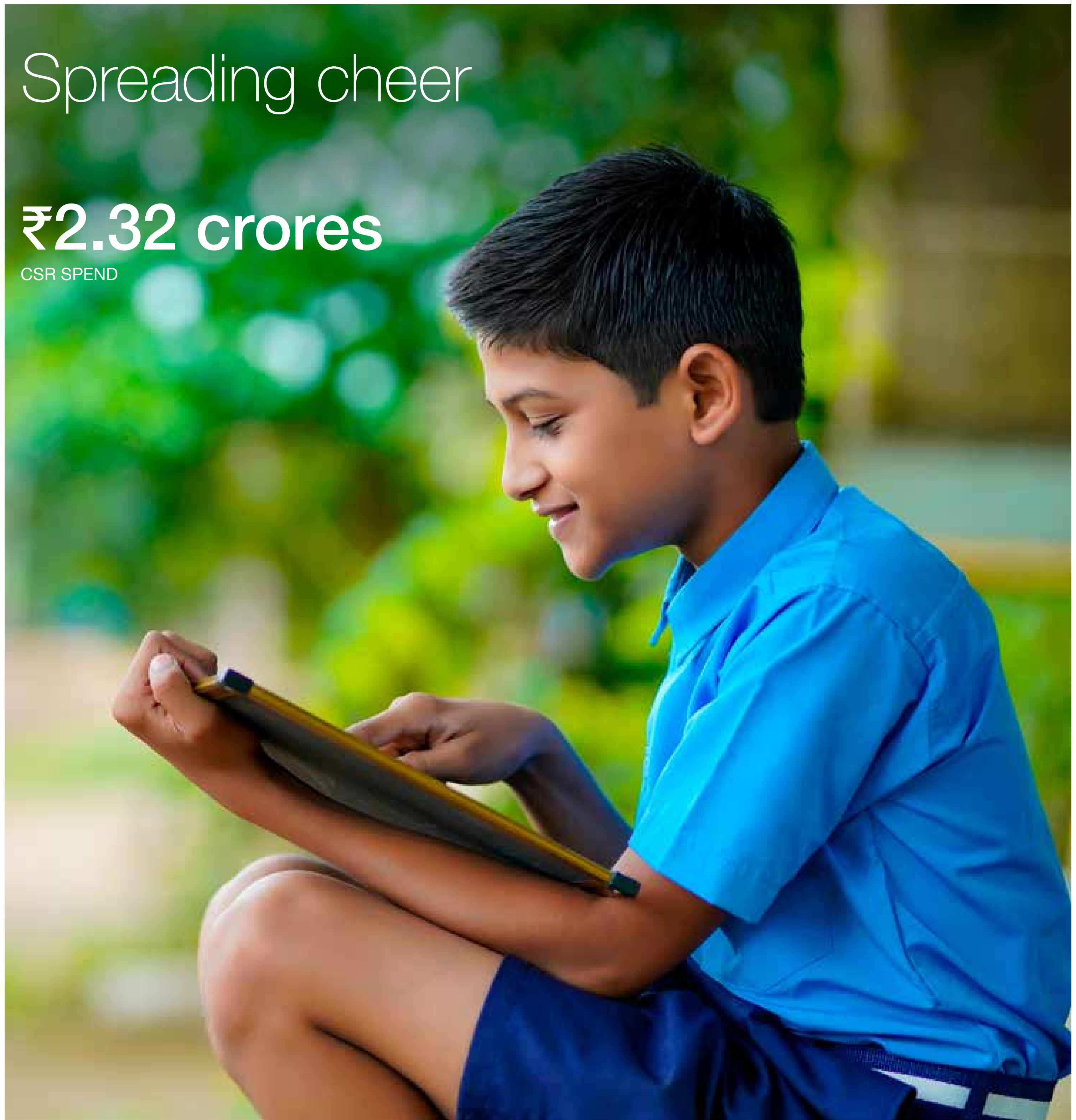
REDUCTION IN ENERGY CONSUMPTION

Over the years, we have undertaken various initiatives to reduce our power consumption and reducing our Scope 1 and 2 GHG emissions:

- Biomass based energy plant process led to the reduction of CO_2 emissions.
- Monitoring and control of energy consumption was conducted through energy meters.
- Streetlights were provided timers to keep them on during specific hours.
- Dynasteam system in the Press has increased the production capacity and reduced the Press belt consumption as well as resin consumption.
- Standby measures were followed wherein manufacturing equipment with no raw material would stop automatically.
- LED lights, consuming lower power, were installed in place of flood lights and other variants that consumed more electricity.

Community interventions

CSR has been a key part of our business journey since inception. We have been taking multiple initiatives to drive holistic development of the communities we work around. Our intervention initiatives include health, education and livelihood.



BOOSTING FARMER INCOME THROUGH AGROFORESTRY

Aiming towards a greener world as a responsible organization we are providing greenwood solutions.

We are promoting plantations in our local areas by helping farmers and focusing on agroforestry & farm-forestry measures and zero de-forestry.

By doing so, agroforestry wood is made available to wood & paper manufacturing industries as well as it is helping to reduce carbon footprints and making India a greener place to live in.

- We have helped 846 farmers from 339 local villages in doing plantation on 13.71 K acres land which will yield approx. 3.91 lakhs MT agroforestry wood in a cycle of 3 years (twice).
- 54.25 lakhs saplings distributed amongst the farmers within 30 km local area and 102.62 lakhs saplings distributed beyond 30 kms radius of Greenpanel plant.
- Apart from clonal plants developed by the company in its in-house mist chambers, we have also tied up with ITC and other nurseries for supplying high quality saplings to the farmers.

PROMOTING CHILD EDUCATION

Our focus includes betterment of the community where we have taken various initiatives to promote child education. In order to provide better infrastructure facilities to the students, 3 schools in Udham Singh district in Rudrapur has been renovated, under the CSR programme. Additionally, benches and boards has been provided in the schools of Chittoor district in Andhra Pradesh for improving education facilities. Expenditure in regard to the above renovation amounted to ₹49.06 lakhs.

ENSURING GOOD HEALTH

The mobile medical van launched by our South Indian unit covered Chittoor district in Andhra Pradesh and touched 3,925 beneficiaries. The services included medical services, consulting, counselling and free medication for basic diseases.

Governance

Commitment to ethical and effective leadership

At Greenpanel, we firmly believe that good governance is the cornerstone of corporate excellence. We are fully committed to upholding the highest standards of governance practices, which create long-term value for our stakeholders while driving consistent, profitable, and sustainable growth for the company. Our philosophy is based on the principles of ethics, integrity, and transparency in every aspect of our operations, with the board and management held accountable to instil trust among stakeholders. Our rigorous policies and codes of conduct ensure ethical responsibility and a high level of regulatory compliance.

BOARD OF DIRECTORS

The Board recognises that ethical and effective leadership is crucial for good governance, resulting in sustainable performance and value creation for the Company and its stakeholders. The Board is committed to such leadership by providing strategic guidance and informed oversight of implementation and performance to management.

BOARD COMMITTEES

We have four committees of the Board: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The Board delegates authority to relevant Board committees to ensure that all issues of strategy, performance, resources, standards of conduct and responsible governance are implemented.

Mr. Shiv Prakash Mittal
Executive Chairman

Mr. Shobhan Mittal
Managing Director & CEO

PROFILES OF THE BOARD OF DIRECTORS

Mr. Shiv Prakash Mittal
Executive Chairman

He holds a Bachelor's degree in Science from the University of Calcutta. He was one of the founders of Greenply Industries Limited. He was associated with Kitply Industries Limited for 21 years. He has over 50 years of experience in the fields of production and marketing in plywood, laminates, MDF and allied products.

Mr. Shobhan Mittal
Managing Director & CEO

He holds a Bachelor's degree in Business Administration and was Joint Managing Director & CEO of Greenply Industries Ltd. He possesses over 20 years of experience in Business Administration and Marketing Strategy. He was instrumental in the setting up of the MDF units of the Company at Pantnagar and Chittoor. After successfully streamlining the Pantnagar unit, he was involved in streamlining operations at the Chittoor unit.

Mr. Salil Kumar Bhandari
Independent Director

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

Mr. Mahesh Kumar Jiwrajka
Independent Director

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

Mr. Arun Kumar Saraf
Independent Director

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

Ms. Shivpriya Nanda
Independent Director

Ms. Shivpriya Nanda has over 30 years of extensive experience in mergers and acquisitions, corporate restructuring, strategic joint ventures, and corporate advisory. Ms. Nanda is passionate about giving back to the community and is the founding member of the Society of Women Lawyers in India. She has for several years in the past spearheaded pro-bono activities of the Firm and serves on the Pro Bono Council of Trust Law. She is a member of Bar Council of Delhi, International Bar Association, Inter-Pacific Bar Association and American Bar Association.

Board's Report

Dear Members,

Your directors have the pleasure of presenting their 6th annual report on the business and operations of the company along with the audited financial statements for the financial year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

The financial performance of your company, for the year that ended on March 31, 2023, is summarised below:

(₹ in Lakhs)

Particulars	FY 2023		FY 2022	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operations	1,78,285.99	1,78,285.99	1,62,443.27	1,62,503.87
Profit before finance charges, Tax, Depreciation/Amortisation (PBITDA)	42,871.07	43,587.10	42,628.97	43,939.29
Less: Finance Charges	1,868.42	1,904.24	1,646.15	1,709.81
Profit before Tax and Depreciation/Amortisation (PBTDA)	41,002.65	41,682.86	40,982.82	42,229.48
Less: Depreciation	6,898.22	7,197.10	6,799.38	7,335.74
Net Profit before Exceptional items and Tax	34,104.43	34,485.76	34,183.44	34,893.74
Exceptional items	(2,428.70)	610.07	-	-
Net Profit before Tax (PBT)	31,675.73	35,095.83	34,183.44	34,893.74
Provision for tax / Tax expenses	(8,679.55)	(9,444.35)	(10,847.03)	(10,847.03)
Profit/(Loss) after Tax (PAT)	22,996.18	25,651.48	23,336.41	24,046.71
Add: Net other comprehensive income	263.60	263.60	(127.98)	(127.98)
Total comprehensive income (net of taxes)	23,259.78	25,915.08	23,208.43	23,918.73
Add: Balance brought forward from earlier year	35,108.05	33,953.10	13,739.03	11,873.78
Amount available for appropriation	58,367.83	59,868.18	36,947.46	35,792.51
Less: Dividend paid on equity shares	1,839.41	1,839.41	1,839.41	1,839.41
Balance carried to Balance Sheet	56,528.42	58,028.77	35,108.05	33,953.10

RESULT OF OPERATIONS AND THE STATE OF THE COMPANY'S AFFAIRS

During the year under review, your company achieved revenue from operations of ₹1,78,285.99 lakhs as against ₹1,62,443.27 lakhs in the previous year, resulting in an increase in revenue of 9.75% compared to the previous year. The profit after tax for the financial year 2022–23 was ₹22,996.18 lakhs as against ₹23,336.41 lakhs in the previous year, resulting in a decrease in net profit of 1.46% compared to the previous year.

Exports during the year 2022–23 were ₹24,745.21 lakhs as against ₹23,205.15 lakhs during the previous year, resulting in an increase of 6.64%. Your company is continuously trying to locate new export markets for its products and sees good potential for growth in the export business.

As per the consolidated financial statements, the revenue from operations and profit after tax for the financial year 2022–23 were ₹1,78,285.99 lakhs and ₹25,651.48 lakhs, respectively, as against ₹1,62,503.87 lakhs and ₹24,046.71 lakhs, respectively, in the previous year, resulting in an increase in the consolidated revenue from operations and profit after tax of 9.71% and 6.67%, respectively, compared to the previous financial year.

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

COVID-19 – IMPACT, MEASURES AND OPPORTUNITIES

Impact

During the year under review, there was no major impact of COVID-19 on the operations of the company.

Measures

The company has continued to take preventive measures such as wearing masks, sanitising, social distancing, thermal screening, and swab testing within office premises and plants to prevent the spread of COVID-19. The company has provided adequate group Mediclaim insurance coverage for the treatment of employees and their dependent family members.

Opportunities

Due to the slowdown in COVID-19 cases, the demand for real estate projects picked up rapidly, which created an increasing demand for building materials. The shift of human interest towards the environment and hygiene continued to create a good market for MDF products in India.

OUTLOOK AND EXPANSION

Despite uncertainties and challenges faced due to geo-political issues, the Russia-Ukraine war, the company's outlook remains favorable on account of its product integration capabilities, increasing brand visibility, dealership expansion, and the continuous support from its stakeholders. The wood panel market is one of the major verticals of the interior infrastructure, comprising materials used in building furniture. Such materials include plywood, engineered wood panels, and decorative surface products. Your company is currently operating primarily in the structural sphere of the interior infrastructure domain, with all the products in its basket catering to the structural needs of the customers. The demand for ready-made furniture manufactured with engineered panels like medium density fiberboard (MDF), is growing rapidly. Demand for personalised furniture and MDF products is expected to rise further due to the shift of focus towards hygiene. Your company is continuously trying to increase its market share of high margin products. Growing customer awareness, brand consciousness, and a plethora of choices at the disposal of consumers are encouraging product innovation and quality focus from the organised players.

India is one of the largest furniture markets in the world, which is primarily driven by a rising national population, rapid urbanisation, growing demand for quality products, growth in real estate projects, increasing per capita income, and the thrust of young generations towards a better lifestyle. This is likely to promote a strong demand for MDF, plywood, and allied products in India. Innovations and use of technology will help the MDF industries to grow further at a faster pace with high profits in the future. With wider choice, product innovation and warranty being offered by organised players, customers are putting more focus on this segment and trusting reputed brands like us.

During the year under review the company has initiated a brown field project of expansion of installed capacity of MDF with annual capacity of 2,31,000 CBM per annum. The commercial production of the above project is expected in Q1 FY 2025.

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

SUBSIDIARY AND JOINT VENTURE

As on March 31, 2023, your company has one overseas wholly owned subsidiary (WOS) viz. Greenpanel Singapore Pte. Ltd., in Singapore. The subsidiary was initially engaged in the business of promotion, distribution, export and trading of the company's panel products, wooden flooring and allied products. The operation of WOS is transferred to the company's Singapore branch.

CHANGE(S) IN THE NATURE OF BUSINESS

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

CONSOLIDATED FINANCIAL STATEMENTS

For the period under review, the company has consolidated the financial statements of its wholly owned subsidiary, viz., Greenpanel Singapore Pte. Ltd., Singapore. In accordance with the third proviso of Section 136(1) of the Companies Act, 2013, the annual report of the company, containing therein its standalone and consolidated financial statements, has been placed on the company's website. Further, as per the fourth proviso of the said section, audited annual accounts of the subsidiary company have also been placed on the website of the company. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary company may send a request to the company secretary. Pursuant to section 129(3) of the Companies Act 2013, read with rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the company's wholly owned subsidiary in form AOC-1 is annexed to this report marked "Annexure - I".

CREDIT RATING

Our strong commitment towards financial discipline and continuous performance growth has also translated into upgrading our external credit rating by CARE Ratings Limited for long-term bank facilities of ₹149.50 crores from "CARE A" to "CARE A+" with a stable outlook and for long-term and short term bank facilities of ₹115 crores from "CARE A/CARE A1" to "CARE A+/CARE A1+" with a stable outlook. CARE ratings also upgraded the rating of short-term bank facilities of ₹5 crores from CARE A1 to CARE A1+.

Additionally, ICRA Limited has also upgraded the long-term rating to "[ICRA]A+" from "[ICRA]A", with a positive outlook for long term bank facilities of ₹240 crores, and the short-term rating to "[ICRA]A1+" from "[ICRA]A1", with a stable outlook for short term bank facilities of ₹100 crores.

DIVIDEND

Your directors recommended and paid an interim dividend of 150% on the face value of ₹1 per share, i.e., ₹1.50 per equity share, on the company's 12,26,27,395 equity shares for the financial year 2022–23.

Board's Report

The details of the dividend paid will be placed at the ensuing annual general meeting for confirmation by the members. The dividend pay-out is in accordance with the dividend distribution policy of the company adopted by the board of directors in their meeting held on August 14, 2019. The dividend distribution policy is uploaded to the company's website.

TRANSFER TO RESERVES

Your directors do not propose transferring any amount to the general reserve for the financial year 2022–23.

CHANGE IN SHARE CAPITAL

During the year under review, there was no change in the share capital of the company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The details of the directors and key managerial personnel of the company are provided as follows:

Sl. No.	Name	Designation
1	Mr. Shiv Prakash Mittal	Executive Chairman
2	Mr. Shobhan Mittal	Managing Director and CEO
3	Mr. Salil Kumar Bhandari	Independent Director
4	Mr. Mahesh Kumar Jiwrajka	Independent Director
5	Mr. Arun Kumar Saraf	Independent Director
6	Ms. Shivpriya Nanda	Independent Director
7	Mr. Vishwanathan Venkatramani	Chief Financial Officer
8	Mr. Lawkush Prasad	Company Secretary and VP-Legal

In accordance with the provisions of the Companies Act, 2013 and the articles of association of the company, Mr. Shiv Prakash Mittal [DIN: 00237242] shall retire by rotation at the ensuing annual general meeting and, being eligible, offer himself for re-appointment.

None of the directors of your company are disqualified under the provisions of section 164(2)(a) and (b) of the Companies Act, 2013 and a certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated May 1, 2023, received from M/s. T. Chatterjee & Associates, company secretaries certifying that none of the directors on the board of the company have been debarred or disqualified from the appointment or continuation as directors of the companies by SEBI/Ministry of Corporate Affairs or any such statutory authority, is annexed to the corporate governance report.

Ms. Sushmita Singha (DIN: 02284266), Independent Women Director of the Company, resigned from the Board of the company w.e.f. April 7, 2022, due to preoccupation and confirmed that there is no other reason other than those stated in her resignation letter dated April 7, 2022. Ms. Sushmita Singha ceased to be a member of the audit committee, nomination and remuneration committee, and corporate social responsibility committee of the board of directors of the company w.e.f. April 7, 2022, due to her resignation from the board of the company. The company appointed Ms. Shivpriya Nanda, as an independent woman director of the company w.e.f. July 6, 2022, and she has been inducted as a member of the audit committee w.e.f. July 22, 2022.

The board is of the opinion that the newly appointed independent director, Ms. Shivpriya Nanda, is a person of integrity and possesses relevant expertise and experience. Further, all the independent directors of the company have complied with the requirement of including their names in the data bank of independent directors maintained by the Indian Institute of Corporate Affairs. Mr. Salil Kumar Bhandari and Ms. Shivpriya Nanda are not required to pass the online proficiency self-assessment test in terms of the proviso of Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

INDEPENDENT DIRECTORS

For the financial year 2022–23, the company has received declarations from all the independent directors, viz., Mr. Salil Kumar Bhandari [DIN: 00017566], Mr. Mahesh Kumar Jiwrajka [DIN: 07657748], Ms. Shivpriya Nanda [DIN: 01313356], and Mr. Arun Kumar Saraf [DIN: 00087063], confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulations 16 and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The first term of five years of Mr. Salil Kumar Bhandari and Mr. Mahesh Kumar Jiwrajka will be completed on August 5, 2023, and they are eligible for re-appointment for a further term of five years subject to the approval of shareholders in the general meeting.

MEETINGS OF THE BOARD OF DIRECTORS

Five (5) board meetings were held during the financial year ending on March 31, 2023. The details of the board meetings, their dates, and the attendance of each of the directors have been provided in the corporate governance report.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and other applicable provisions, the independent directors, in their meeting held on January 30, 2023, evaluated the performance of the non-independent directors of the company, board as a whole and assessed the quality, quantity, and timeliness of the flow of information between the company's management and the board. The board has carried out the annual performance evaluation of the directors individually, its committees, and the workings of the board as a whole. The criteria for evaluation are outlined below:

a. For non-executive independent directors:

- Knowledge and skills
- Professional conduct
- Duties, roles, and functions
- Rendering independent and unbiased opinions and judgements
- Attendance and active participation in meetings of the board
- Assistance in implementing corporate governance practices.
- Updating of skills and knowledge
- Information regarding the external environment
- Understanding and assessment of risk management
- Raising concerns, if any, to the board
- Study of the agenda in depth prior to the meeting
- Contribution towards the formulation and implementation of strategy for achieving the goals of the company.

b. For Executive Directors:

- Performance as a member
- Working expertise
- Evaluating business opportunities and analysing risk-reward scenarios
- Professional conduct and integrity
- Sharing of information with the board
- Attendance and active participation in the board meetings and meetings of members of the company
- Whether a difference of opinion was voiced in the meeting
- Assistance in implementing corporate governance practices.
- Review of the integrity of financial information and risk management
- Updating of skills and knowledge
- Information regarding the external environment
- Raising concerns, if any, to the board
- ensures the implementation of the decisions of the board.
- Ensures compliance with applicable legal and regulatory requirements.
- Alignment of the company's resources and budgets with the implementation of the organisation's strategic plan
- Creativity and innovation in creating new products.
- Understanding of the business and products of the company

c. For Committees of the Board:

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

d. For Board of Directors as a whole:

- Setting clear performance objectives and how well it has been performed against them.
- Contribution to the testing, development, and strategy
- Contribution to ensuring robust and effective risk management.
- The composition of the board is appropriate, with the right mix of knowledge and skills sufficient to maximise performance in light of future strategy.
- Effectiveness of inside and outside board relationships
- Responding to the problems or crises that have emerged.
- Updating with the latest developments in regulatory environments and the market in which the company operates
- Role and functioning of the board on these matters.
- Framing policies and procedures for statutory compliance, internal financial control, and safeguarding the interests of the company.

Board's Report

The Directors have expressed their satisfaction with the evaluation process.

FAMILIARISATION PROGRAMME

The details of the familiarisation programme undertaken by the company during the year have been provided in the corporate governance report, along with a web link to it.

AUDITORS AND THEIR REPORTS AND RECORDS

(i) Statutory Auditor:

The shareholders of the company at their 1st annual general meeting held on August 28, 2018, approved the appointment of M/s. S. S. Kothari Mehta & Co., Chartered Accountants (ICAI Firm Registration No. 000756N) as the statutory auditors of the company to hold office for a term of 5 (five) years from the conclusion of the 1st annual general meeting, until the conclusion of the 6th annual general meeting to be held in the calendar year 2023, i.e. the ensuing annual general meeting. They are qualified for reappointment for a further term of 5 years in compliance with the provisions of Section 139 of the Companies Act, 2013.

The statutory auditors' report on the standalone and consolidated financial statements of the company for the financial year ending on March 31, 2023, forms part of this annual report. The notes on financial statements referred to in the auditors' report are self-explanatory and, therefore, do not call for further clarification. There is no qualification, reservation, adverse remark, or disclaimer made by the statutory auditors of the company in their statutory audit report, and hence, no explanation or comments of the board are required in this regard.

(ii) Maintenance of Cost Records:

During the year under review, maintenance of cost records as specified by the central government under Section 148(1) of the Companies Act, 2013 was not applicable to the company.

(iii) Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board of directors of the company, at their meeting held on July 22, 2022, reappointed M/s. T. Chatterjee & Associates, Practising Company Secretaries, having office at 152, S.P. Mukherjee Road, Kolkata-700026, for conducting the secretarial audit of the company for the financial year 2022–23. The secretarial audit report in form MR-3 for the financial year ending on March 31, 2023, is annexed herewith marked "Annexure-III". There is no qualification, reservation, adverse remark, or disclaimer made by the secretarial auditor of the company in their secretarial report in form MR-3, and hence, no explanation or comments of the board are required in this regard.

(iv) Internal Auditor:

The company has appointed Mr. Aditya Bansal, a chartered accountant, as its internal auditor. The internal auditor is submitting his report on a quarterly basis to the audit committee of the board of directors.

AUDIT COMMITTEE

As of March 31, 2023, the audit committee of the company consisted of four non-executive independent directors, viz., Mr. Salil Kumar Bhandari as chairman, Mr. Mahesh Kr. Jiwrajka, Mr. Arun Kumar Saraf, and Ms. Shivpriya Nanda, and one executive-promoter director, Mr. Shiv Prakash Mittal, as a member.

The committee, inter alia, reviews the internal control system, reports of the internal auditor, compliance with various regulations, and evaluates the internal financial controls and risk management system of the company. The committee also reviews at length the financial statements and financial results before they are placed before the board. The terms of reference of the committee and the details of the committee meetings are provided in the corporate governance report.

NOMINATION AND REMUNERATION COMMITTEE

As of March 31, 2023, the nomination and remuneration committee of the company consists of three non-executive independent directors, viz., Mr. Salil Kumar Bhandari as chairman, Mr. Mahesh Kumar Jiwrajka, and Mr. Arun Saraf as members.

The terms of reference of the committee and the details of the committee meetings are provided in the corporate governance report. The summary of the remuneration policy of the company, prepared in accordance with the provisions of Section 178 of the Companies Act 2013, read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in the corporate governance report. This policy applies to all the "executives" of the company and extends to the remuneration of non-executive directors, including the principles of selection of the independent directors of the company. The board of directors has adopted the remuneration policy at the recommendation of the committee. This policy is applicable to all employment agreements of the executives entered into after the approval of the policy and changes made to the existing employment agreements of the executives thereafter. The remuneration policy is uploaded on the website of the company. The weblink is https://www.greenpanel.com/wp-content/uploads/2019/11/Remuneration-Policy.pdf

In terms of the provisions of clause (e) of Section 134(3) read with Section 178(3) of the Companies Act, 2013, the nomination and remuneration committee, while appointing a director, considers the following criteria for determining qualifications, positive attributes, and independence:

Qualification: diversity of thought, experience, industry knowledge, skills, and age.

Positive Attributes: Apart from the statutory duties and responsibilities, the directors are expected to demonstrate a high standard of ethical behavior, good communication skills, leadership skills, and impartial judgement.

Independence: A director is considered independent if he/she meets the criteria laid down in Section 149(6) of the Companies Act, 2013, the rules framed thereunder, and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

STAKEHOLDER RELATIONSHIP COMMITTEE

As of March 31, 2023, the stakeholder's relationship committee of the company comprises one non-executive independent director, viz., Mr. Mahesh Kumar Jiwrajka, as chairman, and two promoter directors, viz., Mr. Shiv Prakash Mittal and Mr. Shobhan Mittal, as members. The terms of reference of the committee and the details of the committee meetings are provided in the corporate governance report.

RISK MANAGEMENT COMMITTEE

As of March 31, 2023, the risk management committee consists of two executive directors: Mr. Shiv Prakash Mittal, Executive Chairman, Mr. Shobhan Mittal, Managing Director, and CEO; and one independent director, Mr. Arun Kumar Saraf. The brief terms of reference of the committee and the details of the committee meetings are provided in the corporate governance report.

RISK MANAGEMENT POLICY

In terms of the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements), 2015, the board of directors of the company has an approved risk management policy in place. The risk management committee and the board of directors of the company have identified potential non-financial risks to the company that, in the opinion of the board, may threaten its existence. The risk management committee and the board have developed a mitigation plan for potential risks to the company and are regularly monitoring them. Financial risks of the company are monitored by the audit committee, and non-financial risks are managed by the risk management committee of the board of directors of the company and reviewed by the board from time to time.

VIGIL MECHANISM

Pursuant to the provisions of sections 177(9) and (10) of the Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a vigil mechanism policy for directors and employees to report genuine concerns has been implemented. The policy safeguards whistleblowers' rights to report concerns or grievances and provides direct access to the chairman of the audit committee. The policy is available on the website of the company, and a weblink to the same has been provided in the corporate governance report.

ANNUAL RETURN

A copy of the annual return as required under sections 92(3) and 134(3)(a) of the Companies Act, 2013 is available on the website of the company at https://www.greenpanel.com/annual-return

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes or commitments affecting the financial position of the company since the close of the financial year, i.e., since March 31, 2023, and to the date of this report.

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

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

INTERNAL FINANCIAL CONTROLS

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

A report on the internal financial controls of the company, as required under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013, issued by M/s. S.S. Kothari Mehta & Co., Chartered Accountants (ICAI Firm

Registration No. 000756N), forming part of independent auditor's report and the same is self-explanatory.

CORPORATE SOCIAL RESPONSIBILITY

The corporate social responsibility committee has formulated and recommended to the board, a corporate social responsibility policy describing the activities to be undertaken by the company, which has been approved by the board and is available on the company's website.

The composition of the corporate social responsibility committee is provided in the annual report on corporate social responsibility ("CSR") activities. The average net profits of the company for the last three financial years are ₹13,443.76 lakhs, and accordingly, the prescribed CSR expenditure during the year under review shall not be less than ₹268.88 lakhs (i.e., 2% of the average net profits of the company for the last three financial years). During the year under review, the company spent an amount of ₹231.61 lakhs on its CSR activities as against ₹268.88 lakhs, and an unspent amount of ₹37.27 lakhs on ongoing projects are lying with the company for the year.

The unspent amount of CSR of ₹37.27 lakhs for the financial year 2022–23 has been transferred to a separate bank account opened with a schedule bank, and the same will be utilised in ongoing CSR projects within the next three financial years.

The annual report on CSR activities is annexed as "Annexure-IV" to this report.

INSURANCE

Your company's properties, including buildings, plants, machinery, and stocks, among others, are adequately insured against risks.

LOANS, GUARANTEES, OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The company has not granted any loans or advances, given guarantees during the year under review under the provisions of Section 186 of the Companies Act, 2013. Further, the company has an investment of a net value of ₹2205.85 lakhs in its wholly owned subsidiary, M/s. Greenpanel Singapore Pte. Ltd., incorporated in Singapore as of March 31, 2023, post impairment of losses of ₹3038.77 lakhs incurred by WOS.

DEPOSITS

During the financial year 2022–23, the company did not invite or accept any deposits from the public under Section 76 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

There are no materially significant related-party transactions made by the company that may have a potential conflict with the interests of the company. Related party transactions that were entered into during the year under review were on an arm's-length basis and were in the ordinary course of business. The particulars of related party transactions as per Section 188(1) of the Companies Act 2013 that were entered into on an arm's length basis are provided in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, which is annexed herewith as "Annexure-II". Further, suitable disclosure as required by the accounting standards (Ind AS 24) has been made in the notes to the financial statements. The board had approved a policy for related party transactions on August 14, 2019.

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated March 30, 2022, regarding clarification on the applicability of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in relation to related party transactions, the board revised its policy on related party transactions on May 6, 2022, and updated the same on the company's website: https://www.greenpanel.com/wp-content/uploads/2022/07/Related-Party-Transactions-Policy.pdf

CORPORATE GOVERNANCE REPORT

A detailed report on corporate governance for the financial year 2022–23, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with an auditor's certificate from statutory auditor M/s. S.S. Kothari Mehta & Co., Chartered Accountants (ICAI Firm Registration No. 000756N), on compliance with the conditions of corporate governance, is annexed to this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management discussion and analysis report for the financial year 2022–23, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given as a separate statement in the annual report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As stipulated under regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the business responsibility and sustainability report describing the initiatives taken by the company from an environmental, social, and governance perspective is enclosed and forms part of the annual report.

CEO AND CFO CERTIFICATION

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

Further, in terms of regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and CEO and the Chief Financial Officer of the company also provide a quarterly certification that the financial results do not contain any false or misleading statement or figures and do not omit any material fact while placing the financial results before the Board for approval.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The code of conduct for directors and senior management personnel has been uploaded to the company's website. The Managing Director and CEO of the company has made a declaration that all directors and senior management personnel concerned have affirmed compliance with the code of conduct with reference to the financial year ending on March 31, 2023. The declaration is annexed to the corporate governance report.

DISCLOSURE REGARDING COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS

The company has complied with all the mandatory applicable secretarial standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual financial statements for the financial year ending on March 31, 2023, the applicable accounting standards have been followed along with a proper explanation relating to material departures, if any.
- The directors have selected such accounting policies, applied them consistently, and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and preventing and detecting fraud and other irregularities.
- The directors have prepared the annual accounts on a going concern basis.
- The directors have laid down internal financial controls to be followed by the company, and that such internal financial controls are adequate and were operating effectively and
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FRAUD REPORTING

There have been no frauds reported by the auditors of the company to the audit committee or the board of directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year 2022–23.

CONSTITUTION OF THE INTERNAL COMPLAINTS COMMITTEE

Pursuant to the requirement under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act 2013, an internal complaints committee has been duly constituted by the company, and the composition of the same is disclosed in the policy on prevention of sexual harassment at the workplace, which is uploaded on the company's website.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1), 5(2), and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report as "Annexure-VI".

APPLICATION OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Your company has neither made any application nor has any proceedings pending under the Insolvency and Bankruptcy Code, 2016, during the financial year 2022-2023.

ONE-TIME SETTLEMENT

Your company has not made any one-time settlements against loans taken from banks or financial institutions during the financial year 2022-2023.

UNPAID DIVIDEND ACCOUNT

In compliance with the provisions of Section 124 of the Companies Act, 2013, a sum of ₹37,702.50, the unclaimed dividend from the interim dividend declared by the company for the financial year 2022–23, was transferred to the unpaid dividend account.

Any money lying in the above unpaid dividend account that remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company, along with any interest accrued thereon, to the Investor Education and Protection Fund pursuant to Section 124(5) of the Companies Act, 2013.

SOP FINES IMPOSED BY STOCK EXCHANGES

i. The company had received notices under regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, demanding a fine of ₹17,700/- from the National Stock Exchange of India Limited and BSE Limited regarding delayed-compliance of disclosure of related party transactions on a consolidated basis. The company has paid the fine to both exchanges.

ii. National Stock Exchange of India Limited and BSE Limited both imposed a fine of ₹35,400 each on the company for delay in the constitution of the nomination and remuneration committee pursuant to regulation 19(1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. There was a delay of 15 days in the reconstitution of the nomination and remuneration committee due to the resignation of Ms. Sushmita Singha. The company has paid the fine amount to both exchanges, and the nomination and remuneration committee has also been reconstituted on July 22, 2022.

ACKNOWLEDGEMENTS

Your directors place on record their sincere thanks and appreciation for the continuing support of financial institutions, consortiums of banks, vendors, clients, investors, the central government, state governments, and other regulatory authorities. The directors also place on record their heartfelt appreciation for the commitment and dedication of the employees of the company across all levels, who have contributed to the growth and sustained success of the company.

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Gurgaon
Date: May 6, 2023

Annexure to the Director's Report

ANNEXURE -I

FORM AOC-1

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

Part "A": Subsidiaries

		₹ in Lakhs
1.	Name of the subsidiary	Greenpanel Singapore Pte. Ltd., Singapore
2.	Reporting period for the subsidiary	01.04.2022 - 31.03.2023
3.	Reporting currency and exchange rate as on the last date of the relevant financial year	USD / INR = 82.1725
4.	Share capital	6,368.37
5.	Reserves and surplus	(4,141.92)
6.	Total assets	2,233.85
7.	Total liabilities	7.40
8.	Investments	NIL
9.	Turnover	1,264.24
10.	Profit / (Loss) before taxation (including other comprehensive income)	388.99
11.	Provision for taxation	NIL
12.	Profit / (Loss) after taxation (including other comprehensive income)	388.99
13.	Proposed dividend	NIL
14.	% of shareholding	100%

Notes:

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

Part B: Statement Pursuant to section 129(3) of the Companies Act, 2013 related to associate companies and joint ventures: The Company has no Associate or Joint Venture Company.

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
(DIN: 00237242)

Vishwanathan Venkatramani
Chief Financial Officer

Shobhan Mittal
Managing Director and CEO
(DIN: 00347517)

Lawkush Prasad
Company Secretary and VP-Legal

Place: Gurgaon
Date: May 6, 2023

Annexure-II

FORM AOC-2

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

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

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Mr. Shobhan Mittal, Managing Director and CEO	Drawing of monthly remuneration from Greenpanel Singapore Pte. Ltd., Singapore, wholly owned subsidiary of the company, being office or place of profit within the meaning of section 188(1)(f) of the Companies Act, 2013 read with rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014.	Not applicable	Drawing of monthly remuneration of SGD 30000 (Singapore Dollar Thirty Thousand only) per month from Greenpanel Singapore Pte. Ltd., Singapore, wholly owned subsidiary (WOS) Total value of transactions (Financial Year 2022-23): SGD 1,80,000	19.07.2019	Nil
2	Greenpanel Singapore Pte. Ltd., Singapore, wholly owned subsidiary	1. Sale and purchase of goods 2. Payment of commission 3. Purchase of asset	For the financial year 2022-23	On mutually agreed terms sale value of up to ₹5 Crores, purchase value of up to ₹5 crores and payment of commission of up to ₹30 crores	06.05.2022	Nil
				Purchase of assets of USD 7,15,762 on book value.	08.11.2022	Nil
3	Greenply Industries Limited	1. Sale and purchase of goods and 2. Leave and license agreement for letting out property	For the financial year 2022-23	On mutually agreed terms sale value of up to ₹5 crores, purchase value of up to ₹5 crores and receipt of license fees/rent of ₹5,000 per month	06.05.2022	Nil
4	Greenlam Industries Limited	1. Sale and purchase of goods.	For the financial year 2022-23	On mutually agreed terms sale value of up to ₹25 crores and purchase value of up to ₹10 crores.	06.05.2022	Nil
5	Prime Holdings Pvt. Ltd.	Reimbursement of expenses and payment of service charge	For the financial year 2022-23	Reimbursement of expenses and payment of service charge of up to ₹10 Lakhs	06.05.2022	Nil
6	Greenlam South Limited	Leave and license agreement for letting out property	For the financial year 2022-23	receipt of license fees/rent of ₹5,000 per month	06.05.2022	Nil

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
(DIN: 00237242)

Place: Gurgaon
Date: May 6, 2023

Annexure-III

FORM MR-3

SECRETARIAL AUDIT REPORT

(For the financial year ended 31st March, 2023)

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

To,
The Members of
Greenpanel Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Greenpanel Industries Limited, CIN-L20100AS2017PLC018272** (hereinafter called **the company**). Secretarial audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on verification of the books, papers, minute books, forms, returns filed and other records maintained by the company, information provided by the company, its officers (including RTA), agents and authorised representatives, electronic records available in the official portal of the ministry of corporate affairs www.mca.gov.in, portal of the stock exchanges, representation made by the management, we hereby report that in our opinion, the company has, during the audit period covering financial year ended on 31st March 2023, complied with the statutory provisions listed hereunder and also that the company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed with the stock exchange, in the official portal of the ministry of corporate affairs (MCA) etc. and other records maintained by the company for the financial year ended on 31st March 2023, according to the applicable 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.

v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the company :-

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

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

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

d. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (not applicable to the Company during audit period)

e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021. (not applicable to the company during audit period)

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (not applicable to the Company during audit period)

h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; (not applicable to the Company during audit period)

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

j. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

Annexure to the Director's Report

vi) 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.

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

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

b. The Listing Agreements entered into by the company with the stock exchanges read with the provisions of the Securities and Exchange Board of India (SEBI) [Listing Obligations and Disclosure Requirements] Regulations 2015.

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

1. Pursuant to regulation 19(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there was a delay of 15 days in reconstitution of the nomination and remuneration committee due to resignation of Ms. Sushmita Singha from the post of independent director. The company has paid the fine amounts to both the exchanges and the nomination and remuneration committee has also been reconstituted on 22 July 2022.

2. Pursuant to regulation 23(9) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, there was a delay of 3 days in the filing of the related party transaction report with the stock exchanges for the half year ended 31st March 2022. The company has paid the fine amounts to both the exchanges.

We further report that:

a. The board of directors of the company is duly constituted with a proper balance of executive directors, non-executive directors, and independent directors. The changes in the composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the Act and the Listing Regulations. The composition of the board of directors was in compliance with the applicable provision of the Companies Act, 2013 and the Listing Regulations.

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

c. Decisions of the board were taken unanimously during the period under review. Hence no instances of dissent from the directors of the company occurred during the above period.

We report that during the period under review, option was given to the board/committee members to participate in the board/committee meeting either physically or through video conferencing and adequate facilities were provided to facilitate the directors at other locations to participate in the meeting(s).

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

We further report that during the audit period, no events occurred which had major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard, etc. referred above.

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

Binita Pandey - Partner
ACS : 41594, CP : 19730
UDIN: A041594E000233291
Peer Review No.: 908/2020

Place: Kolkata
Date: May 1, 2023

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

Annexure-A

To,
The Members of
Greenpanel Industries Limited

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

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

2. We have followed the Guidance Notes on ICSI Auditing Standard, 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 a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.

5. The secretarial audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

Binita Pandey - Partner
ACS : 41594, CP : 19730
UDIN: A041594E000233291
Peer Review No.: 908/2020

Place: Kolkata
Date: May 1, 2023

ANNEXURE -IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE YEAR ENDED MARCH 31, 2023

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

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

Brief outline of the CSR Policy

Greenpanel Industries Limited believes that as a responsible corporate citizen, it has a duty towards society, environment, and the country where it operates. The company's sense of responsibility (which goes beyond just complying with operational and business statutes) towards the community and environment, both ecological and social, in which it operates is known as corporate social responsibility. The Company's CSR initiatives are designed with a commitment towards creating a positive change in society through holistic and sustainable community development programs. In view of the above the company has formulated its Corporate Social Responsibility Policy ("CSR Policy") with objective of integrating the business processes with social processes and to guide the company and its people to empathise with social activities also. The company believes that CSR Policy is the company's faith in socially inclusive and sustainable business as the way of doing business.

Priority Projects

The company has currently identified the following priority projects to be undertaken by the CSR committee:

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

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

iii. Rural development projects

Web link to the CSR Policy of the Company

https://www.greenpanel.com/wp-content/uploads/2021/04/Corporate-Social-Responsibility-Policy.pdf

2. Composition of the CSR Committee

The Committee members as on March 31, 2023, are as follows:

i. Mr. Mahesh Kumar Jiwrajka – Chairperson (Non-Executive Independent Director)

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

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

NOTE: Ms. Sushmita Singha had resigned from the post of director of the company w.e.f. April 7, 2022

3. Average net profit of the Company for last three financial years: ₹13,443.76 lakhs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹268.88 lakhs

5. Details of CSR spent during the financial year:

i. Total amount to be spent for the financial year: ₹268.88 lakhs.

ii. Amount unspent, if any: ₹37.27 lakhs

iii. Manner in which the amount spent during the financial year 2022-23 is detailed below:

S No	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Plantation of Eucalyptus/ Casuarina /Fruit plants with full subsidy on saplings cost within 3 KM surroundings of MDF plants in Chittoor and with subsidy of up to ₹1 each plant, beyond 3 KM surroundings of MDF plants situated in Chittoor and Rudrapur.	Ensuring environmental sustainability, Ecological balance, protection of flora and fauna	Chittoor, Andhra Pradesh and Rudrapur, Uttarakhand	₹174.31 lakhs	Direct expenditure: ₹151.49 lakhs	₹151.49 lakhs	Direct
2	Providing Medical facilities within surrounding of Chittoor Plant	Promoting Health care including preventive health care	Chittoor, Andhra Pradesh	₹30 lakhs	Direct expenditure: ₹6.99 lakhs	₹6.99 lakhs	Direct
3	Renovation of 3 nos. of schools in Udham Singh district	Promoting education	Udham Singh Nagar, Uttarakhand	₹35.50 lakhs	Direct Expenditure: ₹43.38 lakhs	₹43.38 lakhs	Direct
4	Renovation of schools in Chittoor district, Andhra Pradesh	Promoting education	Chittoor District, Andhra Pradesh	₹3.34 lakhs	Direct expenditure: ₹5.68 lakhs	₹5.68 lakhs	Direct
5	Providing ready-to-use toilets to urban forests (development of Nagaravanam Tirupati)	Promoting health care, which includes sanitation and preventive health care.	Tirupati, Andhra Pradesh	₹1.05 lakhs	Direct expenditure: ₹1.07 lakhs	₹1.07 lakhs	Direct

Annexure to the Director's Report

S No	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
6	Collaborated for organising Udaipur Tales International Storytelling Festivals to promote art and culture	Protection of national heritage, art, and culture	Udaipur District, Rajasthan	₹10.50 lakhs	Direct expenditure: ₹10 lakhs	₹10 lakhs	Direct
7	Providing 10 nos. motorized scooters to the poor disabled person residing in the district of Chittoor	Promoting health care including preventive health care	Chittoor District, Andhra Pradesh	₹14.18 lakhs	Direct expenditure: ₹13 lakhs	₹13 lakhs	Direct
	TOTAL			**₹268.88 lakhs**	**₹231.61 Lakhs**	**₹231.61 Lakhs**	

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

The amount of ₹37.27 Lakhs has remained unspent for the year 2022-23 in relation to ongoing plantation and medical project of the company. The unspent amount transferred to a separate bank account opened with a schedule bank.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company:

The implementation and monitoring of the CSR Policy is in compliance with CSR objectives and policy of the company.

On behalf of the Company and the CSR Committee

Mahesh Kumar Jiwrajka
Chairman of CSR Committee
(DIN: 07657748)

Place: Gurgaon
Date: May 6, 2023

ANNEXURE -V

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

A. Conservation of energy

i. Steps taken or impact on conservation of energy:

- Upgrade the lighting in LED and power saving by following,
  - Refiner and glue kitchen lighting controlled with SCADA so that it can automatically turned off, resulting power save approx. 2 kw/ day.
  - Replacement of high mast 400w light with 120w LED flood light to reduce the power consumption, maintenance as well as inventory of spare parts. Total power saving is 14kw per hour.
  - Ceiling light replaced with LED ceiling light resulting power saving 1.17kw per hour.
- AHU of MCC's controlled by new installed RTD to maintain temperature, which resulted in power saving of 45 kw/day.
- 200KVAR Capacitor bank installed in PCC1 for improving the power factor and to save electricity of approx. 150-180 KVA / hour, based on running load.
- Installed operator control button for manual checking of smart wax system of refiner's SCADA to reduce the start-up time which reduces power consumption.
- Replaced all limit switch in CMT in CTS Areas with proximity sensor for better traceability and to reduce the down time of CMT by approx. 50% which resulted in reduction of power consumption and increase of productivity.
- Plug feed (refiner) RPM increased from 66 to 70 to increase the productivity and save power.
- Surge bin vibrator installed to reduce the chip jammed in surge bin and reduced the downtime and power consumption.
- Log crane installed to increase the raw chip production and reduce the idle run of main chipper and power cost.
- Modification in PLC Logic reduced the time between the infeed conveyor and chain conveyor and resulted increased productivity and reduction of power consumption.
- Halogen lights have been upgraded with LED Lights in High Mast and equipped along with timers, resulting reduction in power consumption.
- Reduction in use of pumps resulted saving in power consumption.
- Chipper knife sharpening/Changing twice a day to reduce the electrical load as well as improve the wood chip quality.
- Installed motion sensor in the mini chipper to give feedback in the SCADA and to avoid breakdowns.
- The phase protector in Log cranes modified to avoid the breakdown.
- Compressors Run/Trip/Stop control provided in the SCADA.
- Refiner MCC-2A and 2B room temperature indication taken in SCADA for continuous monitoring of MCC room temperature to avoid large VFD drives tripping on over temperature.
- Installed RTD's in the ESP penthouse for early detection and to avoid spark.
- Energy Plant ESP Hopper Electromagnetic vibrator modified with Pneumatic vibrator to avoid hopper jamming and breakdown.
- Additional cooling fans installed in energy plant to avoid drive over temperature.
- Dyna Steam installed for Mat preheating which resulted in power saving of 15 to 20%. A VFD has been installed in the packing machine to optimise the power and
- Steam/Thermic fluid/ and gas pipelines insulation repaired to save thermal energy.

Annexure to the Director's Report

ii. Steps taken for utilising alternate sources of energy:

The company is exploring the feasibility of utilising alternate sources of energy at its manufacturing units such as solar powered parking sheds and solar ponds.

iii. Improvement and Optimisation of Resources:

- Installed new cooling tower panel which reduced water wastage and human interference.
- All impact roller motor in chipper DOL replaced by VFD to avoid the unwanted surge and reduce the electrical and mechanical breakdown.
- Provided the operator control for restacking on SCADA to maintain the stacking as per requirement to reduced board damage and increased the quality and productivity.
- Install sensor on Lamination board packing machine roller conveyor for automatic stop of conveyor to reduce the gap between two board results to reduce the wastage of packing film.
- Install the automatic fire extinguisher system at energy plant fuel silo to avoid the fire at bunker and safety purpose which results to minimise the unnecessary breakdown occurs due to cable burn and belt damage near bunker area.
- In HT/LT panel Room lying the insulation mat to avoid any incident by electrical fatal.
- Lightning arrester and aviation light install on the top of the fibre bin for safety from lightning and alert for height at night.
- Additional fixed welding machine three phase power junction boxes and single-phase power points installed in several areas to reduce the time of work and reduce the external extension box consumption.
- 20 Ton chipper system installed for chipping of oversize chips, sokta and mundi which resulted in increased in production.
- Vibrator installed to reduce the dust accumulation which effect on board quality.
- A new STP Plant was installed near the log yard location for treatment of water for plantation.
- A new pond with a capacity of 80,000 KL has been constructed during the year to collect more rainwater and reduce dependency on outside sources.

iv. Capital Investment on energy conservation equipment:

Investment was made to upgrade plant lighting, equipment, and drives.

Apart from the above and routine maintenance expenditure, there was no major capital investment made in energy conservation during the year under review.

B. Technology absorption

i. The efforts made towards technology absorption:

- Installation of Smart wax system to reduce wax consumption and uniform distribution of wax across fibre is under progress.
- Launch of FR (fire retardant) grade MDF boards.
- Introduction of Dynasteam system in Press which shall result in 15-30% increase in production capacity and reduction of belt power absorption and resin consumption by 25-30%.
- All SCADA system upgraded into new version (Window XP upgraded into Window10 and Intouch 9.5 to version 20.0).
- All CTS area system and Window upgraded from XP to Window 11.
- Prodacon raw board production data automatically interlinked with SAP.
- Conditional monitoring analyser installed in defibrator (Refiner area) to reduce breakdowns.
- Press overall temperature reduced to get maximum board moisture and uniform colour appearance.
- Smart wax system installed to reduce wax consumption and uniform distribution of wax across fibre.
- MDF HMR E1 grade developed in-house.
- Pre steaming temperature reduced to 65 degrees for fresh wood usage. Substantial improvement in effluent water quality and reducing the fibre loss.

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

Increase in efficiency and production capacity and decrease in consumption of resin, power, and cost of production.

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

a. the details of technology imported: The Company had not imported any technology or made foreign technical collaborations. However, the company has arrangement with the overseas machine suppliers for providing technical guidance and assistance for functioning of imported machineries and operations.

b. the year of import: Not Applicable

c. whether the technology been fully absorbed: Not Applicable

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

iv. the expenditure incurred on Research and Development:

(₹ in Lakhs)

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

C. Foreign exchange earnings and outgo

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

Foreign exchange earnings and outgo:

Earnings and outgo:

(₹in Lakhs)

Particulars	FY 2021-22	FY 2022-23
Earnings on account of:		
a) FOB value of exports	**20,176.45**	**20,212.26**
Total		
Outgo on account of:		
a) Raw materials	3,999.18	4,307.87
b) Capital goods	846.26	-
c) Traded goods	-	-
d) Stores and spare parts	2101.06	1,040.10
Total	**6,946.50**	**5,347.97**

For and on behalf of the Board of Directors

Place: Gurgaon
Date: May 6, 2023

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Annexure to the Director's Report

ANNEXURE -VI

A. PARTICULARS OF EMPLOYEES FOR THE YEAR ENDED MARCH 31, 2023 AS REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year; 2022-23

Name	Designation	Ratio to median remuneration of employees
Mr. Shiv Prakash Mittal	Executive Chairman	230.49
Mr. Shobhan Mittal	Managing Director and CEO	232.77
Mr. Mahesh Kumar Jiwrajka	Independent Director	4.23
Ms. Salil Kumar Bhandari	Independent Director	3.92
Mr. Arun Kumar Saraf	Independent Director	3.87
Ms. Shivpriya Nanda	Independent Director	3.26

(b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23.

Name	Designation	% increase
Mr. Shiv Prakash Mittal	Executive Chairman	14.94
Mr. Shobhan Mittal	Managing Director and CEO	29.72
Mr. Mahesh Kumar Jiwrajka	Independent Director	243.75
Mr. Salil Kumar Bhandari	Independent Director	247.73
Mr. Arun Kumar Saraf	Independent Director	228.26
Mr. Vishwanathan Venkatramani	Chief Financial Officer	13.14
Mr. Lawkush Prasad	Company Secretary and VP - Legal	14.45
Ms. Shivpriya Nanda	Independent Director	NA

(c) The percentage increase in the median remuneration of employees in the financial year 2022-23: 10.36%

(d) The number of permanent employees on the rolls of Company as on March 31, 2023: 1891

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

Non - Managerial Personnel : 10.00%

Managerial Personnel : 11.00%

(f) Affirmation that the remuneration paid during the year ended March 31, 2023, is as per the Remuneration Policy of the Company: Yes

B. INFORMATION AS PER RULE 5 (2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE BOARD'S REPORT FOR THE YEAR ENDED ON MARCH 31, 2023

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

Sl. No	Name of Employee	Designation	Remuneration (Amount in INR/) in Lakhs	Qualification	Experience	Date of commencement of Employment	Age Yrs.	The Last Employment held before joining the Company
1	Mr. Shiv Prakash Mittal	Executive Chairman	910.28	B.Sc.	50 yrs.	01-02-2007	74 yrs.	Himalaya Granites Ltd.
2	Mr. Shobhan Mittal	Managing Director and CEO	917.74	BBA	18 yrs.	01-09-2006	43 yrs.	Worthy Plywoods Ltd.
3	Mr. Shekhar Chandra Sati	President Sales-MDF and Flooring	261.19	MBA	28 yrs.	15-10-2019	49 yrs.	Welspun Global Brands Limited
4	Mr. Vishwanathan Venkatramani	Chief Financial Officer	184.16	CA	36 yrs.	01-07-1995	59 yrs.	MKJ Enterprises Limited
5	Mr. Vinod Kumar Tiwary	National Head - Sales-Decorative	130.68	PGDGSM	25 yrs.	10-03-2015	48 yrs.	Mayur Ind Pvt Ltd.
6	Mr. Subhash Kumar Aggarwal	Senior Vice-President-Operations	130.20	Post Diploma in Chemical Engineering	42 Yrs.	21-06-2010	63 yrs.	Nuchem Limited
7	Mr. Neeladri Basu	Senior Vice-President-Finance and Accounts	110.94	CA, IFRR	27 yrs.	01-02-2013	52 yrs.	Ingersoll Rand Limited
8	Mr. Dinesh Kumar Maloo	Vice President – Operations	73.37	CA	24 yrs.	03-12-2012	48 yrs.	Hindusthan National Glass & Industries Ltd.
9	Mr. Vinod Kumar Agarwal	Vice President	64.29	Graduate	45 yrs.	16-05-2008	64 Yrs.	Arches Panel Products Pvt Ltd
10	Mr. Pradeep Kandoi	Assistant Vice President	52.48	CA	12 yrs.	01-05-2014	36 yrs.	John Energy Limited

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

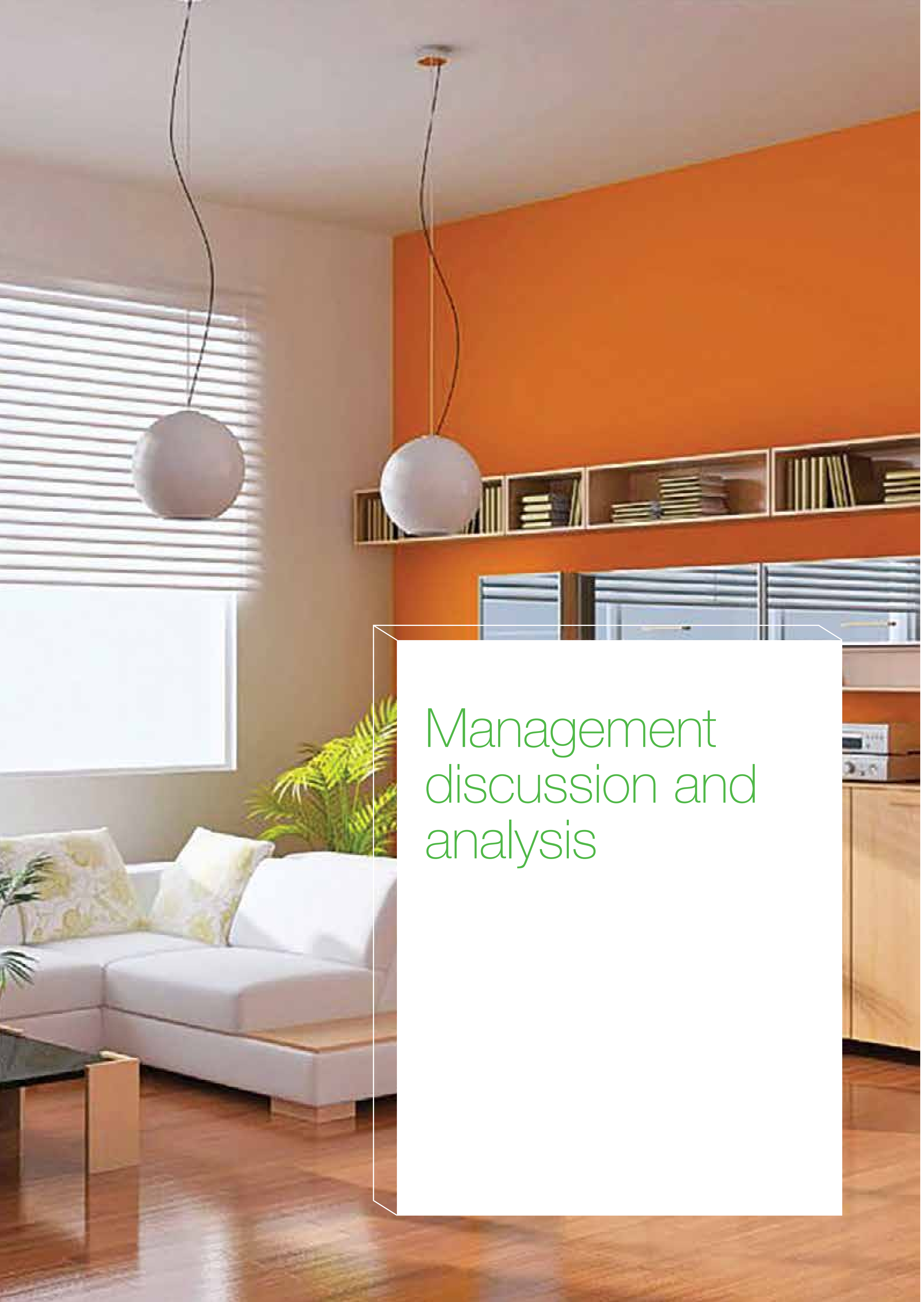
Notes:

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

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Gurgaon
Date: May 6, 2023



Management discussion and analysis

01

ECONOMIC OVERVIEW

Global Economy

Demonstrating resilience in the face of adversity

After a recovering 2021, the year 2022 was marred by three powerful challenges – Russia's invasion of Ukraine, widening inflation impacting cost of living and a slowdown in China caused by strong Zero Covid policy adopted by the Chinese government. Despite these challenges, number of economies across the globe showed signs of resilience from third quarter onwards. Global inflation peaked during the third quarter of the year while the monetary tightening by various central banks is starting to cool demand along with easing supply chain pressures.

Outlook

Global economy is expected to report a growth of 2.9% in 2023. There has been an upward revision in the growth estimates, largely owing to robust domestic demand in the major economies, gradual opening of the Chinese economy as well as easing inflation. The global economy is expected to grow by 3.1% in 2024.

Global GDP (% change)

2021	2022 (E)	2023 (P)
6.2	3.4	2.9

[Source: World Economic Outlook January 2023]

Indian economy

Demonstrating strong signs of buoyancy

Review

While the global scenario remained challenging, the Indian economy showed its character and remained one of the fastest growing major economies in the world. The economy demonstrated broad-based recovery across sectors, traversing to the pre-pandemic growth era. Strong private investments, especially in the first half of the year accelerated production activity and enhanced capacity utilisation. Further, the Central Government's strong capex along with strong private investments led by strengthening balance sheet led to growth of the country's economy. However, inflation remained beyond the tolerance level of the RBI, prompting the country's apex bank to go for successive rate hikes. According to the second advanced estimates by the Ministry of Statistics and Programme Implementation, the country is estimated to report a growth of 7% against the reported 9.1% growth in 2021-22.

Outlook

As global indicators suggest an economic slowdown, the Indian economy is expected to be robust and avoid such slowdown. The optimism is derived from its heavy reliance on the domestic levers of growth. Various agencies are pegging the country's growth between 6-6.5%, continuing to make it one of the world's fastest growing major economies. Furthermore, this optimism stems from the benefits of efficiency gains resulting from greater formalization, higher financial inclusion, and economic opportunities created by digital technology-based economic reforms. It is expected that this will broad-base growth and continue to drive consumption in the economy.

02

GLOBAL INDUSTRY OVERVIEW

Global furniture market overview

The global furniture market growth is driven by rapid urbanization, and rising construction of residential and commercial buildings. This together with the growth of the travel and tourism sector together with growing income levels, evolving lifestyles and enhanced standard of living are driving the demand for lightweight, portable and versatile furniture with maximum storage space. The convenience of shopping furniture through e-commerce platforms has aided the growth of the sector. Wood and wood based panels continue to remain one of the most preferred materials for the global furniture industry owing to its high durability. Spherical Insights research report states that the global furniture market was valued at USD 548.38 billion in 2021 and is expected to reach USD 780.8 billion by 2030, registering a CAGR of 5.1% during the forecast period. Though China remained the largest exporter of furniture in the world, countries are looking to reduce dependence on China and looking for alternative sourcing destination.

(Source: Spherical Insights PLC)

Global Medium Density Fibreboard (MDF) market overview

Globally, among the wood panel industry, medium density fibreboards or the MDF has emerged as a preferred choice for furniture and other panel applications. The flexibility and engineering properties of the products has made it a popular choice. Further, 100% of the raw material used is sustainable wood, making the entire raw material procurement an environment friendly one. As a result, the product segment has reported phenomenal growth in the past few years. The global Medium Density Fibreboard (MDF) market size was valued at USD 26,213.85 million in 2022 and is expected to expand at a CAGR of 3.34 Percent during the forecast period, reaching USD 31,934.43 million by 2028.

Global plywood market overview

The growth of the interior design and furniture industry is propelling the demand in the plywood market. Robust population growth coupled with rising disposable income as well as rising preferences for branded plywood has expanded the plywood market at a global level.

03

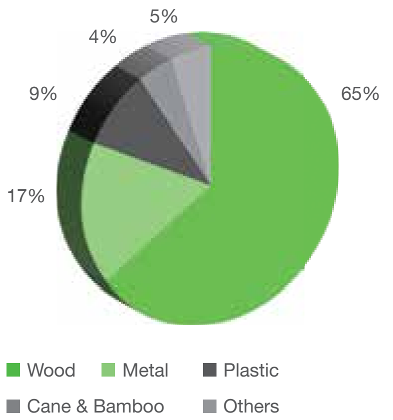
INDIAN INDUSTRY OVERVIEW

Indian furniture market overview

Growing population, higher income levels coupled with increasing levels of urbanisation are the key drivers of India's furniture market. Additionally, the growing demand for residential and commercial infrastructure development, fuelled by a burgeoning middle-class segment is also aiding the country's furniture market. The Covid-induced work from home culture has aggravated the demand for furniture in the country in the past two years. The increased accessibility of a wide variety of furniture on online marketplaces is boosting sales. Among the materials, the wood-based furniture segment is dominating the country's furniture market. India is the fifth largest producer and fourth largest consumer of furniture in the world and the market was valued at ~$23 bn in 2021. With the Government of India identifying furniture industry as a key enabler to expand the reach of 'Make in India' across the globe, the industry is poised for further growth going ahead.

The advent of the pandemic and subsequent rise in the hybrid working model have given boost to the country's real estate sector. The trend remained upwards despite rate hikes and an overall inflationary environment. Housing inventory across India's top seven cities plunged to just 20 months in the first three month of calendar year 2023, from 42 months in the similar period in 2018, reaching the lowest in the last five years, driven by robust sales in the housing market.

Break-up of Indian furniture market



Key growth drivers

Strong economic growth

Despite the global headwinds, the Indian economy remained resilient. The Indian economy is expected to the third-largest economy by FY 2028. This is expected to drive the per capita income of the population, in turn driving the disposable income. This coupled with high urbanisation rate is expected to drive demand for furniture in the country.

32%

INCREASE IN PER CAPITA INCOME BETWEEN 2018 AND 2021

Infrastructure push by the Government of India

In the Budget 2023-24, the Government of India outlined 33% increase in capital expenditure and announced several projects across segments including construction of new airports and other infrastructure projects.

Change in lifestyle

With increasing internet penetration and exposure to global trends and styles, there has been significant change in lifestyle. Indian consumers are looking for shorter replacement cycle, resulting in better demand.

Indian Medium Density Fibreboard (MDF) market overview

MDF is emerging as a popular choice for furniture in the country, especially in the factory-made furniture segment. The absence of knots helps it give high quality finish. It is suitable for entire range of furniture and is denser than plywood. It is ~30-35% cheaper than plywood. MDF has a robust potential for growth because it only accounts for 20% of the wood panel products sector against 70% globally. In 2022-23, the Indian industry was impacted by low-cost imports from the South Asian countries. However, the superior product versatility along with massive under-penetration provide strong optimism for the industry in the coming years. Various industry estimates suggest that the share of MDF will be 50% of the total wood panel industry in 2030. The Indian MDF market was valued at Rs 3,000 crore in FY 21 and is expected to reach Rs 6,000 crore by 2026. Further, high cost is making the consumer shift to MDF from plywood, aiding further to the growth.

Indian plywood market overview

In the fiscal years 2021-22, the Indian plywood market had a value of Rs 195.8 billion. The market is predicted by IMARC Group to grow at a 7.4% CAGR between 2022 and 2028, reaching Rs 297.2 billion at the end of the forecast period. Due to India's rapid urbanization, shifting lifestyle trends, and rising number of nuclear families, the residential sector's growing demand for furniture is the main factor driving the country's plywood market. Additionally, there has been a noticeable increase in the refurbishing and renovation of existing residential areas, which is in turn driving up the demand for plywood in the Indian market. In addition, several important players are introducing fresh furniture styles and variants to broaden their customer base. Furthermore, the country's markets are looking up thanks to quickly growing distribution networks and falling manufacturing costs.

Key drivers of India's woodpanel industry

Power of population

India has emerged as the most populous country in the world. As per United Nations, India's population in the 25 to 64 years age group has increased from 56% in 2010 to 60% in 2020 and is expected to further increase to 63% by 2035. With increasing share of young population, the country has entered a period of demographic dividend, driving consumption across sectors.

Increased urbanisation with declining household size

With an anticipated 43%+ of the Indian population residing in the urban areas by 2035 (from 30% in 2020), more homes will be required to accommodate additional population. Further, nuclearization of families has contributed to the reduction in household size in the past few decades, driving demand for additional homes.

Boom in the housing market

After a lull period, there has been a surge in the demand for housing units in the country. Lower home rates, benefits in the registration cost of home purchase and growing home ownership sentiment have contributed to the growth of the country's housing sector. Besides, the growth is visible in the tier 2 and 3 cities, broad basing the sector's growth ambit. Further, the government's focus on the affordable housing segment and housing for all scheme, has been a driver for the housing market, in turn growing the country's wood panel sector.

3.65 lakh units

SALE OF RESIDENTIAL UNITS IN TOP 7 CITIES IN 2022, UP FROM THE PREVIOUS HIGH OF 3.43 LAKH UNITS IN 2014

Development of furniture cluster

The Government's focus on making India an export hub provides strong export growth opportunities for the Indian Furniture industry.

Growing awareness

Following the rise of social media, consumers are selecting to spend more on aspirational living and exploring ways to re-surface their homes and offices.

Ease of access through the e-platforms

The online furniture market is experiencing a surge in growth due to the pandemic-driven trend of purchasing products online. This increase in demand for online shopping is attributable to the accessibility of smart devices and high-speed networks as technological advancements. As more people are turning to online shopping as their preferred medium of purchasing during the pandemic, the number of online furniture shoppers is expected to continue to rise in the future.

04

COMPANY OVERVIEW

100%

RENEWABLE AGRO-FORESTRY WOOD

2,300+

OUTLETS

6,60,000

CUBIC METERS OF MDF

Greenpanel is India's leading producer of wood panels. High-quality Medium Density Fibreboard (MDF), High density Fibreboard (HDF), Fire resistant MDF, Block boards, Prelaminated MDF/ Plywood, veneered MDF, plywood, decorative veneers, flooring, and doors are produced in our cutting-edge production facilities in Uttarakhand and Andhra Pradesh. Everything we do is infused with the ingenuity and sustainability of our culture. For instance, Greenpanel MDF is produced entirely from regenerative agroforestry wood. The total annual MDF production capacity of our manufacturing facilities is 6,60,000 cubic metres. Our extensive distribution network, which consists of more than 2,300 outlets dispersed throughout the nation, complements this. Further, we are present across each state and union territories of the nation with our 17 branch offices. Further, we are expanding our presence with the OEMs to cater to the demand from the online platforms.

OPPORTUNITIES

- There is a rise in the requirement for branded wood products.
- Population increase is leading to higher demand for housing structures, further resulting in demand for building materials also.
- Rapid urbanisation and yearning desire for lifestyle products will lead to surge in demand of wood products.
- The increasing trend of nuclear family, that is forming multiple single families out of one large joint family is leading to a demand for housing and furniture.
- There has been a significant rise in demand for furniture through online platforms. While there has been a rise in the need for modular, multi-functional and customised furniture for home and offices. This will be changing the face of furniture retail in India for good.

THREATS

- The unorganised players might sell their products at a low price.
- Unavailability of timber and increase of raw materials prices.
- The number of new entrants in the industry will drive constant demand for innovation and will be delivering better quality at a lower price.
- Absence of anti-dumping duties can create a threat from imports.
- Challenges of labour migration and their unavailability at the time of demand, posed a significant challenge upon the industry.

Operational Performance Analysis

MDF Segment

During FY 23, this segment's sales increased by 15.4%, and it made up about 86.3% of our total revenue.

Plywood Segment

Greenpanel manufactures extensive range of plywood with focus on premium-grade plywood.

Financial Performance Analysis

Particulars	FY 23	FY 22
Revenue from operations	1,778.55	1,585.74
EBITDA	435.87	439.39
Profit before tax	350.96	348.94
Tax	94.44	108.47
Profit after tax	256.51	240.47

Key Financial Ratios

Particulars	31 March 2023	31 March 2022	% Change	Reason of change (in case the change is 25% or more)
Current ratio	2.71	1.56	73.66%	Reduction in the working capital cycle.
Debt Equity Ratio	0.16	0.30	-43.60	Reduction in working capital investment leading to improvement of cash flows which used for debt reduction
Debt Service Coverage ratio	6.38	1.46	335.96%	Reduction in borrowings resulting lower interest outgo
Inventory Turnover ratio	6.27	5.15	21.66%	
Debtor Turnover Ratio	47.86	30.96	55.93%	Increase in turnover on same receivables cycle
Net Capital Turnover Ratio	4.45	9.08	-51.03%	Increase in turnover and reduction in working capital cycle.
Net Profit ratio	14.42%	15.16%	-4.89%	
Return on Capital Employed	26.73%	29.66%	-9.87%	
Interest coverage ratio	19.11	21.41	10.73%	
Operating profit margin ratio	58.07%	57.69%	0.65%	
Return on Net Worth	23.91%	28.59%	-16.37%	Increase in accumulated shareholders equity as compared to previous year whereas profit after tax remained at almost the same level as compared to the previous year.

Risk Management

In the external operating environment, we face a variety of risks and volatility. We are aware that managing risks effectively is essential to achieving our strategic goals and a fundamental part of running a business. We can identify, evaluate, and manage the risks associated with our business and operational activities with the assistance of our comprehensive risk management framework. The oversight of the company's risk management framework falls under the influence of the Risk Management Committee of the Board.

Risks	Potential Impact	Our response
Demand Slowdown Lack of demand from customers and downstream industries	Growth and profitability	• Focus on the premium segment to maintain profitability • Enhance export presence • Broad-basing customer base • Drive brand visibility to drive demand
Competition risk Increased competition with increased demand of MDF	Revenue, margins, and overall market position	• Continuous investments in capacity to augment market leadership • Focus on value-added products to stay ahead of the curve • Our wide network and our ability provide targeted solutions enables us to service our customers better and help us stay ahead of the curve
Customer attrition risk Shifting to newer brands and products by customers	Revenue and brand	• Enhancing market penetration; reaching beyond the top 30 cities • Impeccable product quality is leading to customer stickiness
Resources availability risk Cost and availability of raw materials	Operations and logistics cost	• Dependent completely on agro forestry based raw material • Tying up with farmers for plantation to secure raw material • Initiated plantation initiatives with farmers and at the forest levels
Finance risk Risks associated with the financial position of the company	Operational and financial obligations	• Net Debt-free balance sheet • Strong cash flow generation backed by superior brand reputation • High level of operational discipline to restrict cost escalation • Optimum fund utilisation through prudent fund management initiatives
Technology risk Risks associated with the use of technology	Operational cost, quality of products, capacity utilisation	• Using cutting-edge German technology backed plants • Steady investments in technology upgradation
Commoditisation Risks associated with product commoditisation	Per unit economics and profitability	• Focus on innovation to introduce value added products • Launched FR Grade in the value-added category in the last year

Technology initiatives

The key business enabler for Greenpanel is Technology. Data analytics, ERP software, people management systems and faster business processes and increased operational efficiency are the various technologies that the company has invested on. The Systems, Applications and Products (SAP) platform is used which allows the Company to easily manage order, generate invoices, collect payment, issue credit note and other tasks.

Human resources

The Company's human resource is essential to attaining its goal of expansion. The company often undertakes skill-upgrading training for its human resources. The organisation offers its employees a supportive work environment that fosters development and success. Initiatives that effectively engage employees help employees stay with the company longer. The company provides a leadership development programme that supports leaders who are already present in the company. 1891 people were employed by the company as of March 31, 2023.

Internal control system and their adequacy

The Company has robust internal control processes appropriate to its size and operations. The Board of Directors, who oversee the internal control system, establishes the rules. They then check its suitability, efficacy, and application. The internal control system for the company is made to guarantee management effectiveness, measurability and verifiability, the accuracy of accounting and management information, compliance with all relevant laws and regulations, and the safety of the company's assets. This is done to quickly identify and manage the operational, compliance-related, financial, and economic risks to the company.

Accounting Treatment

The financial statements were prepared as per the Indian Accounting Standards (Ind AS) and no treatment different from the Accounting Standards has been followed.

Cautionary statement

According to the applicable securities laws and regulations, the statement in this part that discloses the company's goals, plans, expectations, and estimates may be deemed to be a "forward-looking statement."

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURE

Details

1	Corporate Identity Number (CIN) of the Listed Entity	L20100AS2017PLC018272
2	Name of the Listed Entity	Greenpanel Industries Limited
3	Year of incorporation	2017
4	Registered office address	Thapar House, 2nd Floor, 163, S.P. Mukherjee Road, Kolkata-700026
5	Corporate address	Thapar House, 2nd Floor, 163, S.P. Mukherjee Road, Kolkata-700026
6	Email	secretarial@greenpanel.com
7	Telephone	(033) 40840600
8	Website	www.greenpanel.com
9	Financial year for which reporting is being done	April 01, 2022, to March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	1226.27 Lakhs INR.
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Vishwanathan Venkatramani Designation: Chief Financial Officer Telephone Number: (033) 40840600 Email ID: v.venkat@greenpanel.com
13	Reporting boundary	Reporting on standalone basis

PRODUCT/SERVICES

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1	Manufacturing	Plywood, MDF and allied products	98.89%
2	Trading Goods	Plywood, MDF and allied products	1.11%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/service	NIC Code	% Of total Turnover contributed
1	Medium Density Fibreboard	1621	86.28%
2	Plywood and allied products	1621	13.72%

I. OPERATIONS

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	20	23
International	0	2	2

17. Markets served by the entity:

a. number of locations

Locations	Number
National (No. of States and Union Territories)	22
International (No. of Countries)	12

b. What is the contribution of exports as a percentage of the total turnover of the entity?: 14%

c. A brief on types of customers

The Company has categorised its customers into three main groups:

- **End Customers:-** End Customers are individuals who directly purchase and use products for personal or household needs. The Company relies on online platforms, to engage and closely monitor customer engagement behaviour to assess customer preferences and feedbacks. The Company has a robust system to collect and analyse online feedbacks, this helps in curating product offerings and marketing strategies.
- **Influencers:** The Company actively collaborates with influencers in the MDF and Plywood industry such as architects, /designers, carpenters, and contractors who play an active role in shaping opinions, providing inspiration, and influencing the decision-making process of potential buyers. Regular Influencer meets and events are carried out throughout the year for gaining valuable feedback and insights. Greenpanel has implemented a Standard Operating Procedure (SOP) for carpenters and product installers which provides a set of standardised instructions and guidelines for installing a specific product in a consistent and efficient manner.
- **Trade customers:-** Trade customers are the dealers in the supply chain who have a crucial role in distributing products to end-users or consumers The Company actively engages with trade customers through regular dealer meets, aimed at gaining a deeper understanding of their preferences, as well as educating and informing them about global furniture and building material trends.

Greenpanel deploys various strategies to engage with the customers, such as brand building by sponsoring popular sports events. Greenpanel has also improved signages and in-shop displays at outlets, with a focus on penetrating untapped tier 2 and 3 cities.

II. EMPLOYEES

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
	Employees					
1.	Permanent	1411	1377	98%	34	2%
2.	Other than permanent	-	-		-	
3.	Total employees	1411	1377	98%	34	2%
	Workers					
4	Permanent	480	480	100%	0	-
5	Other than permanent	750	750	100%	0	-
6	Total workers	1230	1230	100%	0	-

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
	Differently abled Employees					
1.	Permanent	0	0	-	0	-
2.	Other than permanent	0	0	-	0	-
3.	Total employees	0	0	-	0	-
	Differently abled Workers					
4	Permanent	0	0	-	0	-
5	Other than permanent	0	0	-	0	-
6	Total workers	0	0	0	0	0

Business Responsibility and Sustainability Report

19. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	No. (C)
Board of Directors	6	1	17%
Key Management Personnel	2	0	0%

20. Turnover rate for permanent employees and workers:

Particulars	FY2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employee	19%	28%	19%	24%	40%	25%	NA	NA	NA
Permanent workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

NA=Not Available

III. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

21. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Greenpanel Singapore Pte. Limited	Subsidiary	100%	No

IV. CSR DETAILS

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover - ₹1,77,855.03 lakhs

(iii) Net worth - ₹1,20,135.03 lakhs

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes (Stakeholder Engagement Policy)	0	0	Nil	0	0	Nil
Investor (other than shareholders)	Yes (Stakeholder Engagement Policy)	0	0	Nil	0	0	Nil
Shareholders	Yes (Stakeholder Engagement Policy)	2	0	Nil	0	0	Nil
Employees and workers	Yes (Stakeholder Engagement Policy)	0	0	Nil	0	0	Nil
Customers	Yes (Customer Relations Policy)	0	0	Nil	0	0	Nil
Value chain partners- (Dealers, Distributors Suppliers etc.)	Yes (Stakeholder Engagement Policy)	0	0	Nil	0	0	Nil

24. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Change and Energy	Risk	1.Implentation of emission tariffs and taxes leading to higher product cost such as CBAM, coal cess. 2.Higher Fuel/energy costs due to enhanced regulatory stringency and fuel supply/demand imbalance such as increasing cost of electricity, 3. Changes in regulations, laws and commitments of the Company's operating and exporting countries. 3.Changes in precipitation patterns can affect the operations in water shortage regions- like Andhra Pradesh.	1.Greenpanel shall be establishing environment related targets such as electrification of processes, increased reliance from RE and other alternative forms of energy. 2. Greenpanel will be procuring wood from sustainably managed forests. The wood used by Greenpanel meets the criteria for FSC® Controlled Wood. Moving ahead the Company is evaluating the scope of conducting life cycle assessments of all its products to transparently disclose the product's carbon footprint. 3. To combat risks arising due to water shortages, Greenpanel will be taking appropriate measures such as conducting water risk assessments in water scarce areas, frequent monitoring of ground water levels in water scarce areas, implementing water conservation measures like ZLD and construction of rainwater harvesting structures.	Negative Financial Implication- 1.To curb the dependency on fossil-based electricity sources, the Company runs a Biomass-based Energy plant which has led to substantial energy savings. 2.Water harvesting structures will help the Company to achieve Water Positivity in operations as well as water charges.

Business Responsibility and Sustainability Report

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Biodiversity	Risk	1. Absence of Biodiversity assessments may lead to a lack of critical information needed to implement effective conservation measures or make sustainable land use decisions, negatively impacting indigenous flora and fauna.	1. Greenpanel will evaluate the scope of conducting biodiversity assessments in and around its operational areas, with help of tools such as B-INTACT (Biodiversity Integrated Assessment and Computation Tool) for quantifying the biodiversity impact and improvement area in the Company's value chain. The Company shall identify a dedicated expert to implement mitigation projects, monitor the same and report to the highest executive body.	Positive Financial Implication: - 1.Conservation of flora and fauna will increase soil quality and richness, water holding capacity of soil, aquifer recharging, and carbon sequestration.
3.	Sustainable Supply Chain	Risk	Absence of an established Supplier code Of Conduct and relevant procedures for responsible sourcing might lead to supply-chain disruptions leading to regulatory risk in value chain, financial risks in operation and reputational risks leading to customer dissatisfaction.	1. The company shall move towards subsequent integration of a Code of Conduct and assessing it's onboarded as well as new suppliers on ESG considerations within supplier evaluation criteria.	Positive Financial Implication: - This can result in cost savings in the long run, as suppliers who adhere to these standards are less likely to face legal fines, penalties, or reputational damages, which can impact their financial performance and in turn affect the financial stability of the companies they supply to.
4.	Corporate Governance	Opportunity	Efficient ESG management and compliance will help to promptly address any deviations from established systems to ensure effectiveness.		Negative Financial implication: - Consequences from regulators and legal authorities, as well as the potential negative effects on a company's reputation and trustworthiness.
5.	Economic Performance	Risk	1.Demand for MDF and plywood products can vary based on factors such as economic conditions, construction and housing markets, consumer preferences. 2.Since the Company engages in international trade, it may face risks associated with currency exchange rate fluctuations, which can impact cost of raw materials, export/import pricing, market access, affecting the company's profitability and competitiveness.	1.Implementing risk management strategies, staying compliant with regulations, diversifying markets, optimising operations, and staying vigilant to changes in the business environment.	Positive Financial implication: - The Company can penetrate newer markets and gain access to broader customer categories.
6.	Occupational Health and Safety	Opportunity	Creating a safe and conducive work environment to proactively prevent work-related injuries and illnesses. The Company has implemented 6S checklist to periodically assess the effectiveness of the health management system.		Positive Financial Implication: - 1.Decreased employee turnover and increased ability to attract and retain talent with proper SMS in place. 2.Enhanched reputation and brand image. 3.Curbing potential punitive actions by regulators.
7.	Community Engagement	Opportunity	Establishing trust and fostering positive relationships with communities through initiatives that promote economic empowerment and social well-being is crucial for ensuring the continuous operation of a business.		Positive Financial Implication: - Promoting community well-being, generating livelihood opportunities, providing quality education and higher Social Return on Investment.
8.	Customer Centricity	Opportunity	Sustaining customer trust, promoting transparency, and ensuring customer satisfaction are essential factors for retaining and growing a loyal customer base.		Positive Financial Implication: - Enhanced profitability and revenue can be achieved by increasing sales volume and expanding the market penetration by targeting new customer segments, improving, and enhancing existing customer relationships to drive repeat business.
9.	Data Privacy and Security	Risk	Increase reliance on digital tools and applications can heighten the vulnerability of the business to cyber-attacks and other associated risks in the digital realm.	1. Greenpanel will evaluate the scope of incorporating cybersecurity management system certified with ISO 27001 for demonstrating internationally recognised processes best practices to manage information security. 2. Establishment of IT Security/Cybersecurity policies and procedures. 3. Endpoint Detection and Response (EDR) based end-point security	Negative Financial Implication: - The consequences of personal and customer data loss and privacy will lead to reputational, financial, and regulatory implications

Business Responsibility and Sustainability Report

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	Human Rights	Risk	The absence of proper checks and balances for human rights assessment can lead to non-compliance, regulatory violations, international standard violations, and reputational risks for the company.	1.Greenpanel will evaluate the scope of undergoing human rights assessments in adherence to the Human Rights Policy. 2.The Company shall provide human rights training to employees and value chain partners. 3. The Company shall identify a dedicated expert to implement mitigation measures, monitor the same and report to the highest executive body.	Negative Financial Implication: - 1. Potential consequences of non-compliance include punitive measures from regulators 2.Damage to the organisation's reputation or brand image.
11.	Innovation and Sustainable Product design	Opportunity	Developing innovative MDF products to effectively address and mitigate negative environmental and social impacts within the community.		Positive Financial Implication: - 1. Gain a competitive advantage 2. Create more revenues by introducing more innovative products in the market.
12.	Regulatory and Statutory Compliance	Opportunity	The Company is ensuring effectiveness in managing compliances and addressing non-conformance to systems on a timely basis by implementing, evaluating, maintaining, an effective compliance management system within an organisation.		Negative Financial Implication: - 1.Regulators and legal authorities imposing punitive actions 2.Rise in compliance costs in form of penalties/fines.
13.	Sustainable Plantation Management	Risk	1. Shortage of raw material during the rainy season 2. Supply chain disruptions due to force majeure conditions. 3. Sourcing of raw materials from illegal trafficking.	1.The Company shall undergo land assessment studies to identify the crop suitability. Next the Company shall take the conformance from farmers for their willingness to participate in the plantation management programmes. 2.The Company shall undergo continuous R&D to for enhancing the crop quality.	Positive Financial Implication: - 1.Conservation of biodiversity: Sustainable plantation management practices can help protect and preserve flora and fauna. 2. Creation of livelihood opportunities for local communities and farmers. 3. Sustainable plantation management can promote water conservation, reduce soil erosion, and protect water quality.
14	Waste Management and Circular Economy	Risk	Improper disposal of waste generated from business activities can harm the surrounding environment, affecting the health of the communities, nearby and damaging the company's reputation. Therefore, responsible disposal of waste needs to be done to prevent overall degradation.	1. Proper segregation and disposal of waste should be done 2. Waste reutilisation should be done based on the 4R principles	Positive Financial Implication: - 1.Reduces greenhouse gas emissions 2.Reduces operating costs 3.Punitive measures from regulatory bodies for non-compliance
15.	Water and Effluent management	Opportunity	1.Managing water scarcity by utilising water resources wisely. 2.Identifying alternative water sources 3.Optimising water usage 4.Achieving zero liquid discharge status 5. Rainwater harvesting structures. 6.Utilisation of treated effluent for firing in boilers.		Positive Financial Implication: - 1.Realisation of decreased water withdrawal costs, due to water conservation initiatives. 2.Utilisation of ETP sludge for firing in boilers, leading to decreased fuel costs.
16.	Employee and Labour Management	Risk	1.Absence of adequate D&I targets with lesser female representation in the workforce.	1.The Company will evaluate the scope of deploying a Special officer for undertaking initiatives to promote D&I in terms of female and disabled person representation in the workforce. Proper training along with employee well-being activities can help further accelerate D&I across the Company.	Negative Financial Implication: - 1. Lower employee retention rate, where D&I is not in place. 2.Punitive actions by regulators 3. Reputational / Brand Image

Business Responsibility and Sustainability Report

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management process									
1. a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.greenpanel.com/policies-of-the-company/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes / certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	1. Certificate of Compliance for product's compliance with European Union (EU) health, safety, and environmental protection standards. 2. IGBC Green Factory Building Certification 3. ISO 14001 Environmental Management System 4. ISO 45001 Health Safety Management System 5. ISO 9001 Quality Management System 6. CARB Certification 7. BIS Certificate (Prelaminated) 8. BIS Certificate (Plain Interior and Exterior Grade) 9. Forest Stewardship Council (FSC)®								

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

Based on the materiality analysis, the identified material issues have been prioritised on their significance and potential impact on the Company's operations and stakeholders. The Company is under the process for setting specific commitments and targets to address these material issues as part of its sustainability strategy. These commitments and targets will serve as guiding principles for the Company's actions and initiatives related to sustainability, and they would align with the Company's overall goals and targets. The commitments and targets are set based on various factors, including industry best practices, relevant regulations, international standards, and stakeholder expectations. They are designed to ensure that the Company's sustainability efforts are aligned with established standards and expectations, and that the Company is working towards achieving meaningful and measurable progress on the identified material issues.

Principle	Targets	6. Performance of the entity against the Specific commitments, and targets along-with reasons in case the same are not met.
Principle 1	The Company is in the process of establishing baselines against the targets and will be setting targets in accordance with the standards set by the Science Based Targets initiative (SBTi) soon.	Performance insights can be drawn once target years are identified
Principle 2		
Principle 3		
Principle 4		
Principle 5		
Principle 6		
Principle 7		
Principle 8		
Principle 9		

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership, and oversight									
6. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	"We are delighted to present our first Business Responsibility and Sustainable Report in compliance with SEBI guidelines, and in adherence to the core elements of NGRBC principles. We are thrilled to witness the remarkable growth of the global medium-density fibreboard (MDF) market, as highlighted by few latest research. In 2022, the global market size reached an impressive US$ 24.0 Billion, with projected growth of US$ 35.4 Billion by 2028, exhibiting a CAGR of 6.6% during the forecast period of 2023-2028. One of the key drivers of this market growth is the environment-friendly nature of MDF, as it is made from wood wastes or recycled wood. With the increasing number of green building initiatives and growing sustainability awareness, the demand for innovative MDF products such as fire retardant MDF(FRMDF), low-emission MDF etc. has been on the rise. Additionally, factors such as the growing global population, rapid urbanisation, and rising disposable incomes are further fuelling the demand for MDF in various applications. The market is also witnessing lucrative opportunities due to the escalating demand for ready-to-assemble (RTA) furniture, in line with the latest trends in the interior and furniture industry. Moreover, the implementation of stringent government regulations and guidelines aimed at reducing the use of traditional wood products has boosted the demand for eco-friendly wood alternatives like MDF. From a national perspective, the MDF market size in India is estimated to be 2.8 million cubic meters (CBM) or ₹3000 crores in 2021, with a projected CAGR of 15-20% to reach ₹6000 crores by 2026. This presents a significant growth potential for our company in the Indian market. Greenpanel's endeavour to excel through continuous product and process innovation, sustainable resource optimisation and exceptional customer delivery places the Company in a favourable position to maintain our market leadership and capture any market impetus. Our company is currently in the process of adopting policies that prioritise environmental efficiency, employee well-being, product stewardship, adherence to human rights, and enhancing customer relations. We are creating a sustainable impact in our value chain by sourcing agroforestry-based raw materials. We have built resilience in our supply chain by establishing strategies for captive sourcing and building a robust supplier and dealer network. Our company is implementing various energy conservation initiatives to reduce emissions. Notably, our Andhra Pradesh plant has received the "IGBC Green factory Gold Certification" and derives steam energy from a biomass-based energy plant. We aim to generate environmental, social, and economic value through our initiatives to ensure the holistic development of communities through our impactful CSR activities in the areas of health and education, Agro-forestry, and skill-development. We strongly believe that we have the potential to shape a sustainable future and are uniquely positioned to make long-term investments, explore new areas of growth, and pursue promising prospects. We extend our gratitude to all our stakeholders for their steadfast backing and confidence in our endeavours. As we stride ahead, we solicit their unfailing support and insights to gauge our sustainability practices against the highest standards." Regards, Mr. Shobhan Mittal								
7. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Implementation of policy - Mr. Vishwanathan Venkatramani (Chief Financial Officer) Oversee the implementation of policy –								
8. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No.								

DIN	Name	Designation
00347517	Mr. Shobhan Mittal	Managing Director and CEO
00237242	Mr. Shiv Prakash Mittal	Executive Chairman

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9

9. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
	P1 P2 P3 P4 P5 P6 P7 P8 P9	P1 P2 P3 P4 P5 P6 P7 P8 P9
Performance against above policies and follow up action	The policies for the current fiscal year have been formulated in consultation with the Company's management and are slated for implementation from the current FY onwards.	Annually
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company upholds compliance with the statutory requirements recognising the relevance of the principles.	Annually

10. Has the entity carried out independent? assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No

11. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business(Y/N)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles(Y/N)									
The entity does not have the financial/human/ technical resources available for the task (Y/N)									
It is planned to be done in the next financial year. (Y/N)									
Any other reason, please specify.									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% Of persons in respective category covered by the awareness programmes
Board of Directors	1	**P1, P2, P3, P4, P5, P6, P7, P8, P9** With the implementation of proper checks and balances, the Board of Directors will be more aware and equipped to make effective decisions in overseeing the company's sustainability performance and meeting reporting obligations. This heightened awareness will enable them to stay informed about business opportunities from an ESG perspective, leading to an enhanced reputation, increased stakeholder trust, and ultimately contributing to the long-term success of the company.	100%
Key Managerial Personnel	1	**P1, P2, P3, P4, P5, P6, P7, P8, P9** Through sensitisation, KMPs and Senior Management will be able to grasp the significance of sustainability-related risks and opportunities, such as environmental, social, and governance (ESG) factors that can impact the company's operations, reputation, and long-term success. They will be able to identify potential risks, such as regulatory changes, resource constraints, supply chain disruptions, financial implications, which can negatively affect the company's performance and take precautionary measures beforehand.	100%
Employees other than BoD and KMPs	1	**P1, P2, P3, P4, P5, P6, P7, P8, P9** By sensitising employees to the 9 principles of the BRSR, they will gain a clearer understanding of how these principles apply to their individual functions and responsibilities. This will promote compliance with the principles, fostering a culture of responsible business practices throughout the organisation. As a result, employees will also develop a greater sense of purpose in their roles, which can positively impact their job satisfaction.	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in FY 2022-23.**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal Been preferred? (Yes/No)
Penalty/ Fine	0	Not Applicable	Nil	Not Applicable	No
Settlement	0	Not Applicable	Nil	Not Applicable	No
Compounding Fee	0	Not Applicable	Nil	Not Applicable	No

Non-monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal Been preferred? (Yes/No)
Imprisonment	0	Not Applicable	Not Applicable	No
Punishment	0	Not Applicable	Not Applicable	No

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

   Nil

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes. (https://www.greenpanel.com/policies-of-the-company/)

   The Company has incorporated an Anti-Corruption and Anti-Bribery Policy that aligns with the highest ethical standards, in compliance with the UK Bribery Act 2010 (UKBA), the US Foreign Corrupt Practices Act 1977 (FCPA), and other relevant local anti-bribery laws. The Policy recognises that any involvement in bribery at a corporate level by the Company, its employees, representatives, suppliers/vendors, or business partners would result in both tangible and intangible losses, including reputational damage.

   The company believes in conducting the business in a transparent manner and does not indulge in bribery or corruption. The company understands that any involvement in unethical practices will not only lead to financial risks but also reputational risks.

   The Company's policy covers all the stakeholders including the value chain partners to notice such violations and report them. With the company's Vigil Mechanism, the concerned policy stakeholders are given the authority to report any unethical, unlawful behaviour, and/or misconduct.

   Any breach of this Policy, may result in disciplinary action, including the termination of an employee and the immediate termination of any contracts with vendors or business partners.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Particulars	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. **Details of complaints with regard to conflict of interest:**

Particulars	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NA	NA	NA	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NA	NA	NA	NA

NA -Not applicable

7. **Provide details of any corrective action taken or underway on issues related to fines /penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   None

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	**P1, P2, P3, P4, P5, P6, P7, P8, P9** The Value Chain partners have been sensitised on the 9 BRSR principles and Greenpanel's commitment on same. This has enabled, the value chain partners to understand the BRSR principles and integrate the requirements into their own business operations which will ensure that the entire value chain of Greenpanel is aligned with the company's sustainability goals.	100%

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

   Yes. The Code of Conduct establishes clear guidelines for Directors and KMPs, including the provision of "Conflict of Interest." It outlines the expectation that Directors and Senior Management Officers will diligently fulfil their responsibilities and take measures to prevent any conflicts of interest that may compromise their ability to perform their duties objectively and efficiently in the best interests of the Company. In case of any queries or interpretations needed regarding the Code of Conduct, the Board or a Committee authorised by the Board will review and address them. This ensures that any questions or clarifications related to the Code of Conduct are promptly and thoroughly addressed, promoting transparency and accountability in the Company's governance practices. The Code of Conduct serves as a valuable reference for Directors and Senior Management Officers, guiding their actions and decisions to uphold the highest standards of ethical conduct and prevent any conflicts of interest that may arise during their roles and responsibilities.

   The code of conduct can be accessed at:- https://www.greenpanel.com/wp-content/uploads/2020/05/Code-of-Conduct-of-BOD-Senior-Mngt-Personnel.pdf

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0	0	Not Applicable
Capex	0	0	Not Applicable

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No) –**

   Yes. The Company's focus on local procurement aligns with its commitment to sustainable and responsible business practices, as has been outlined in the "Product Stewardship Policy".

   By sourcing primary raw materials such as wood, resin, formaldehyde etc. locally, the Company benefits from reduced transportation costs, shorter lead times, better availability of materials. This not only helps in optimising costs but also enables the Company to respond more quickly to market demands and ensure a resilient supply chain. Additionally, sourcing locally supports the local economy and community by fostering partnerships with local vendors and promoting regional economic development.

Business Responsibility and Sustainability Report

b. **If yes, what percentage of inputs were sourced sustainably?**

100% from Agro-forestry plantations.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The company has an integrated waste management system for safe disposal of all the plastics, e-waste, and hazardous waste: -

- **Plastic Waste: -** The Plastic waste generated from the packaging and sale of products such as Surface protection films, are quantified and disposed through authorised vendors.
- **E-Waste: -** The E-waste generated by office operations is disposed of safely through authorised vendors from all locations of the Company. All the associated e-waste forms are duly submitted with the regulatory authorities.
- **Hazardous Waste: -** For all the hazardous waste generated such as but not limited to used Oil, empty barrels of oil, discarded resin bags across the Company's facilities, is disposed through authorised waste vendors with proper maintenance of the waste quantities. The associated forms are duly filled and submitted with the pollution control boards. The fly ash generated from boilers is sent off to cement plants to be utilised in fly ash-based bricks.
- **Other Waste: -** The wood-based wastes such as rejected wood chip particles and chemical waste is recycled through the internal ETP and disposed of safely to authorised vendors.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

The Company procures resin and other chemicals in plastic bags as well as uses Surface protection Film for packaging its finished products, which makes it subject to Extended Producer Responsibility (EPR) regulations. The company ensures proper disposal of all plastic waste by registering with authorised vendors and submits the relevant documentation to the Pollution Control Board in compliance with applicable regulations.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
The Company has not carried out Life Cycle assessment studies yet				

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. **Percentage of recycled or reused input material to total material (by value) used in production.**

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-2023	FY 2021- 2022
Wood logs, Wax, Resins, Biomass, Resin Paper, Laminates, Chemicals, Foam	9%	7%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

FY 2022-23			FY 2021-22		
Reused	Recycled	Safely disposal	Reused	Recycled	Safely disposal
Not Applicable					

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

Principle 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1.a. Details of measures for the well-being of employees:

Category	Total A	% Of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Parental benefits		Day care facilities	
		No. B	% (B/A)	No. C	% (C/A)	No. D	% (D/A)	No. E	% (E/A)	No. F	% (F/A)
Permanent employees											
Male	1377	1377	100%	1377	100%	0	Not Applicable	1377	100%	-	-
Female	34	34	100%	34	100%	34	100%	0	Not Applicable	-	-
Total	**1411**	**1411**	**100%**	**1411**	**100%**	**34**	**100%**	**1377**	**100%**	**-**	**-**
Other than permanent employees											
Male	Not Applicable										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	Total A	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Parental benefits		Day care facilities	
		No. B	% (B/A)	No. C	% (C/A)	No. D	% (D/A)	No. E	% (E/A)	No. F	% (F/A)
Permanent workers											
Male	480	480	100%	480	100%	-	-	480	100%	-	-
Female	-	-		-	-	-	-	-	-	-	-
Total	**480**	**480**	**100%**	**480**	**100%**	**-**	**-**	**480**	**100%**	**-**	**-**
Other than permanent workers											
Male	750	750	100%	750	100%	-	-	750	100%	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	750	750	100%	750	100%	-	-	750	100%	-	-

All the permanent workers are male, and they are on the payroll of the Company and are being provided ESI, PF and other benefits as applicable.

Business Responsibility and Sustainability Report

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	Current financial year			Previous financial year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	100%	100%	Y	100%	100%	Y
Others- Leave Encashment	100%	100%	Y	100%	100%	Y
Others- Post Retiral Medical Benefits	100%	100%	Y	100%	100%	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, most of the company's key establishments including offices and plant sites are accessible to the differently abled. The "Employee Welfare Policy" adopted by the Company, entails the provisions for creating accessible infrastructures for differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

The Company has taken several measures to create an inclusive environment such as installing ramps, handrails, and elevators for ease of movement of people with locomotive disability. The Company provides reserved parking spaces for differently abled employees, ensuring that doorways and corridors are wide enough for wheelchair users, and placing tactile markers and Braille signage for individuals with visual impairments. Additionally, the Company has made the restrooms, workstations, and common areas accessible and equipped with necessary accommodations.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Employee Welfare Policy ensures that the needs of differently abled employees and workers are met in accordance with the Rights of Persons with Disabilities Act, 2016, by providing provisions for accessible facilities. https://www.greenpanel.com/policies-of-the-company/

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Particulars	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	20	100%	0	-
Female	1	100%	0	-
Total	21	100%	0	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent employees Other than permanent employees	Yes, based on the Human Resource Policy Manual, the Company has incorporated a grievance cell within the HR department, where employees can submit their grievances related to existing policy anomalies, suggested changes, or even propose new policies. Employees are encouraged to share their inputs, thoughts, and suggestions via email to hr@greenpanel.com.
Permanent workers	NA
Other than permanent workers	NA

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	Current financial year			Previous financial year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	Not Applicable			Not Applicable		
Male						
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	Current financial year 2022-23					Previous financial year 2021-22				
	Total A	On health and safety measures		On skill upgradation		Total D	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	No. (B)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1377	1377	100%	1377	100%	1415	1415	100%	1415	100%
Female	34	34	100%	34	100%	35	35	100%	35	100%
Total	1411	1411	100%	1411	100%	**1450**	**1450**	**100%**	**1450**	**100%**
Workers										
Male	1230	0	0%	0	0%	1140	0	0%	0	0%
Female	-	-	-	-	-	-	-	-	-	-
Total	1230	0	0%	0	0%	**1140**	**0**	**0%**	**0**	**0%**

9. Details of performance and career development reviews of employees and worker:

Category	Current financial year			Previous financial year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1377	1377	100%	1415	1415	100%
Female	34	34	100%	35	35	100%
Total	1411	1411	100%	1450	1450	100%

10. Health and safety management system

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The Company has implemented ISO 45001 Occupational Health and Safety Management System covering 100% of its operations. The Company recognises that providing a safe and healthy workplace is essential for the wellbeing of its employees and believes that adhering to best practices in occupational health and safety directly impacts its overall success. To promote the highest standards of health and safety, the Company has incorporated the concept of '6S (Sort, Set in Order, Shine, Standardise, Sustain, Safety)' in its guidelines and shares modules and training with workers. The 6S checklist covers aspects such as cleanliness, organisation, standardisation, and emphasises teaching 6S to new employees

The Company's health and safety initiatives include:

- Induction and awareness programs on electrical safety, permit to work, and first-aid safety.
- Daily Toolbox Talks to foster a positive safety culture and reduce workplace incidents. These talks provide practical tips and guidance on behavioural safety, safe work practices, emergency preparedness procedures, and hazard identification and risk assessment.
- Preparation of incident/accident preliminary reports within 24 hours of an incident, with detailed reports within 7 days of the incident. Corrective actions are monitored as part of audits.
- Conducting 6S internal audits and recognising departments for their performance in health and safety measures, which serves as validation for their efforts.
- Preparation of a 6S auditing checklist by the Company to ensure organised, efficient, and safe workplace. Following the checklist guidelines, the Company ensures a productive and safe work environment. The benefits of implementing 6S in the workplace includes a decrease in material handling costs, ease of access to tools and instruments, organised storage areas, increased productivity, improved product quality, reduced risk of worker injuries, enhanced internal communication among staff, a safe environment for workers, reduced manufacturing costs, improved workplace safety, increased work speed, reduced wastage, minimised risk of tool and equipment failures, and overall increased workplace efficiency.
- The Company also provides safety fire drill training to prepare for emergencies and ensure effective handling of emergency situations. Safety product exhibitions are held within the plant to showcase the appropriate usage of safety equipment such as PPE Kits, allowing workers to learn about them.

b) ***What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?***

The Incident Investigation Report helps in identification of work-related hazards and assess risks on a routine and non-routine basis.

c) ***Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)***

Yes, The Company has a 6S group formed in WhatsApp where regular observations are recorded and shared by the team.

d) ***Do the employees have access to non-occupational medical and healthcare services? (Yes/ No)Yes***

Access to in-house medical facility 24*7 which is staffed by qualified medical professionals who are trained to provide prompt and appropriate medical care in case of first aid cases. The Company has also partnered with local hospitals in the vicinity of its manufacturing facilities to ensure immediate treatments in case of accidents, fractures, sprains, strains, burns, concussions, dislocations, amputations, severe contusions, and other work-related injuries or illnesses that require medical attention leading to lost time. The employees receive timely and appropriate treatment from qualified medical personnel at the partnering hospitals. Along with this the Company provides medical insurance, to its employees for demonstrating its commitment to safeguard the health and wellbeing of its employees.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.40	0.92
	Worker	0.69	2.09
Total recordable work-related injuries	Employees	11	11
	Worker	24	24
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The company have taken the following initiatives in the reporting period:

- Hazard Identification and Risk Assessment to identify and mitigate potential hazards,
- Providing Workplace Safety Trainings to educate employees on safe work practices,
- Provisions of Personal Protective Equipment (PPE) to ensure that employees have the necessary protective gear,
- Conducting routine Safety Committee Meetings to review safety measures and address concerns,
- Implementation of a Work Permit System to control hazardous activities and conducting Health Check-ups to monitor employee health and wellbeing
- Conducting Safety Mock Drills to prepare for emergency situations.
- Internal 6S Audits with a defined Audit checklist.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health and safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Working Conditions	100%
Health and safety	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

None

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Not Any

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

None

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

No.

5. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Supplier Due diligence mechanism establishment is currently under progress
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners-Nil

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company's unwavering commitment to meet the needs of its stakeholders is of utmost importance. When identifying key stakeholder groups, the Company considers various factors such as dependency, immediacy, responsibility, vulnerability, and influence as part of its "Stakeholder Engagement Strategy". At Greenpanel, customer centricity is a core component of the Company's growth philosophy, reflecting a steadfast dedication to serving customers. The Company acknowledges that its employees play a critical role in creating value for both clients and the organisation and strives to provide them with fulfilling career opportunities.

Greenpanel stakeholders encompass shareholders, customers, employees, government/regulatory bodies, influencers, and dealers. The company recognises the importance of engaging with these stakeholder groups and endeavours to meet their needs in a responsible and sustainable manner.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable and Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	• Annual General Meeting • Annual Reports • Grievances through Registrar and Share Transfer Agent • Call for Quarterly results • Regular interaction with institutional investors • Periodic press release	• Annually • Quarterly	• Improved profitability and earnings per share • Dividend pay-out • Transparent disclosure • Improvements in ESG Disclosure
Lenders	No	• Periodic meetings		
Regulatory bodies	No	• Periodic public advocacy • Periodical statutory reportings • Regular liasioning		
Customer-End Customers, Influencers, Trade Partners	No	• Customer perception monitoring • Influencers connect programmes • Dealer Connect Initiative-"UDAAN" • Regular customer awareness • Ongoing complaint redressal system	• Ongoing activities	• Strong customer network and loyal customer base Continuous product development based on customer feedback for better product positioning
Employees	No	• Employee grievance redressal mechanism • Regular interactions for celebrating days of individual, organisational, national, and international significance	• Weekly • Annually • Ongoing • Need basis	• Learning and development • Career growth opportunities • Rewards and recognition • Facilities and well-being • Health and safety at workplace • Respecting human rights
Suppliers	No	• Vendors meet • Regular vendor audit • Periodic vendor interactions for sampling and grievance redressal	• Need basis	• Payment cycle • Business opportunities • Capacity building of suppliers on improvements in environmental and social performance
Media	No	• One on one interactions • Periodic press release and press conference	• Ongoing • Need basis	• Transparent and accurate disclosure • Brand reputation

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The responsibility for implementing the Company's ESG strategy and monitoring progress towards the company's vision rests with the Executive Chairman, the Managing Directors Chief Financial Officer. The Managing Director, who also serve as representative of the Board, keep the Board members informed about the company's ESG plans, targets, and performance. The Board convenes quarterly to assess performance, offer strategic guidance, and enforce policies, targets, and strategies. This information is communicated to stakeholders through various channels, including public forums, websites, and report communications.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

As the Company delves into the realms of environmental, social, and governance (ESG), it consistently prioritises the most crucial matters and has initiated consultations with identified stakeholders. The Company is also in the process of developing policies, including Stakeholder Engagement Policy which mandates to integrate stakeholder engagement into governance and relevant decision-making processes that contributes to developing or improving organisational strategy starting from this fiscal year.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

Greenpanel's commitment of being a positive catalyst for the community aligns with its CSR policy, which involves a systematic process of assessing community needs and implementing programs based on strategic CSR pillars of Health, Education and Plantation Programmes. The stakeholder engagement approach for these CSR programs includes identifying vulnerable groups and conducting need assessments to understand the health, hygiene, sanitation, educational, and economic requirements of local communities. To evaluate the impact and social value of the projects, the Company conducts feedback surveys for further improvement.

PRINCIPLE 5 Businesses should respect and promote human right

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	Current financial year			Previous financial year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1411	1411	100%	1450	0	0%
Other than permanent	0	0	100%	0	0	0 %
Total employees	1411	1411	100%	1450	0	0%
Workers						
Permanent	480	0	0%	460	0	0%
Other than permanent	750	0	0%	680	0	0%
Total employees	1230	0	0%	1140	0	0%

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Total A	Equal to minimum wage		More than minimum wage		Total D	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent employees										
Permanent	1411	0	0	1411	100%	1450	0	0	1450	100%
Male	1377	0	0	1377	100%	1415	0	0	1415	100%
Female	34	0	0	34	100%	**35**	**0**	**0**	**35**	**100%**
Other than permanent	Not Applicable									
Male										
Female										

3. **Details of remuneration/salary/wages, in the following format:**

Category	Male		Female	
	Number	Median remuneration / salary/ wages of respective category	Number	Median remuneration / salary/ wages of respective category
Board of Directors	5	₹16.50 Lakhs	1	₹12.70 Lakhs
Key managerial personnel	2	₹102.14 Lakhs	0	0
Employees other than BoD and KMP	1373	₹3.90 Lakhs	34	₹3.98 Lakhs

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   Yes, the Human Resource Department of the Company is responsible for addressing human rights impacts or issues.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   The Company has established internal mechanisms to address grievances related to human rights issues. This includes the implementation of a Vigil mechanism policy and Prevention of Sexual Harassment (POSH) at Work Policy. These policies outline the procedures and channels through which employees or stakeholders can report any grievances or concerns related to human rights violations. The Company ensures that these mechanisms are easily accessible, confidential, and transparent, allowing for prompt and impartial resolution of grievances. Additionally, the Company also conducts awareness programs, training, and regular reviews of these policies to ensure their effectiveness and compliance with relevant laws and regulations.

6. **Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child labour	0	0	0	0	0	0
Forced labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   The company is deeply committed to create an inclusive and non-discriminatory workplace environment. To uphold this commitment, Greenpanel has developed a comprehensive "Human Rights Policy" that provides clear guidelines to ensure equitable and respectful treatment of all employees. The Company's "POSH Policy" specifically addresses cases of sexual abuse, harassment, and outlines procedures for appropriate action. Moreover, the company has established a Human Resources Manual for addressing and resolving grievances related to discrimination and harassment. Additionally, the Company has established a grievance redressal mechanism to effectively collect, organise, document, and report any incidents of in a fair and transparent manner.

8. **Do human rights requirements form part of your business agreements and contracts?**

   Yes

9. **Assessment of the Year**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Human Rights assessments shall begin from next financial year onwards
Forced labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – Please specify	

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

    No such cases were reported; therefore, no corrective actions were required to be taken.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

   The company has implemented a comprehensive "Human Rights Policy" that applies to all situations involving both employees and value chain partners, including interactions with colleagues, business partners, and the public. This policy reflects Greenpanel's unwavering commitment to uphold human rights in all aspects of its operations. Any violation of this policy by an employee may result in appropriate disciplinary action.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

The Company is actively exploring the possibility of implementation of human rights due diligence in accordance with international human rights standards and national regulatory requirements, starting from the next fiscal year. This approach aims to integrate human rights considerations into the company's policies and practices, enabling the Company to fulfil its responsibilities in promoting and protecting human rights.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, the Company's key establishments, including offices and plant sites, are designed to be accessible to differently abled individuals. The "Employee Welfare Policy" adopted by the Company includes provisions for creating accessible infrastructures for employees and workers with disabilities, in accordance with the Rights of Persons with Disabilities Act, 2016.

The Company has implemented various measures to foster an inclusive environment, such as installing ramps, handrails, and elevators for ease of movement, providing reserved parking spaces for differently abled employees, ensuring doorways and corridors are wide enough for wheelchair users, and incorporating tactile markers and Braille signage for individuals with visual impairments. Additionally, the Company has made restrooms, workstations, and common areas accessible and equipped with necessary accommodations. The Company's commitment to accessibility goes beyond physical infrastructure, as it also provides reasonable accommodations, such as flexible work hours, assistive technologies, and training programs to support the needs of employees and workers with disabilities.

4. **Details on assessment of value chain partners:**

	% Of your plants and offices that were assessed (By entity or statutory authorities or third parties)
Child labour	The company is yet to conduct third-party assessment of suppliers on human rights.
Forced labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – Please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable.

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	4,81,897.46 GJ	4,78,920.23 GJ
Total fuel consumption (B)	20,61,576.98 GJ	18,93,531.40 GJ
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	25,43,474.44 GJ	23,72,451.63 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	14.26 GJ/INR Lakhs	14.60 GJ/INR Lakhs
Energy intensity (optional) – the relevant metric may be selected by the entity	4.68 GJ/CBM	4.53 GJ/CBM

If any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

The Company has conducted ISO 14001 independent assessment by "DBS Certification" to evaluate the conformance of Greenpanel's EMS significant environmental aspects, which included energy consumption, as part of the Company's EMS implementation. Regular internal audits are also conducted to ensure the effectiveness of the EMS, such as reviewing energy consumption data and identifying opportunities for achieving energy efficiency.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India?**

Greenpanel's business does not fall among the 11 energy-intensive sectors in India, to which PAT Targets are applicable.

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	3,23,904 KL	3,14,805 KL
(ii) Groundwater	72,097.58 KL	68,629.21 KL
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,96,001.58 KL	3,83,434.21 KL
Total volume of water consumption (in kilolitres)	3,70,033 KL	3,98,455 KL
Water intensity per rupee of turnover (Water consumed / turnover) (KL/INR Lakhs)	2.07	2.45
Water intensity (optional) – the relevant metric may be selected by the entity-(KL/CBM)	0.73	0.76

If any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

The Company has undergone an independent ISO 14001 assessment by "DBS Certification" to evaluate the conformance of Greenpanel's EMS significant environmental aspects, which includes water consumption, as part of the Company's EMS implementation. Regular internal audits are also conducted to ensure the effectiveness of the EMS, such as be given

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes. The ETP (Effluent Treatment Plant) at both the Andhra and Rudrapur plant, works on ZLD basis, which means that no wastewater is discharged from the facility. The water consumed in the production process is recycled internally through the ETP, ensuring that no untreated wastewater is released into the environment. The treated wastewater majorly consists of wood waste and chemical waste which post recycling internally is utilised for various purposes such as: -

- The rejected water from the plant is recycled through ETP, RO-1, and RO-2 and the recycled water is then utilised in the Dry Fibre and Energy Fly Ash processes, thereby reducing the need for freshwater intake, and minimising the discharge of liquid waste.
- The treated water from ETP is being used for gardening purposes as well.
- Efforts have also been made to reduce the fibre load in the effluent water and optimisation of blower RPM (Revolutions Per Minute) for decreasing energy utilisation and improving the overall performance of the ZLD system.

These measures collectively demonstrate the implementation of ZLD at the plants, where wastewater is treated and recycled, and steps are taken to minimise the discharge of liquid waste while optimising water utilisation.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	MT	190.14	198.36
SOx	MT	304.71	401.10
Particulate matter (PM)	MT	189.19	263.52
Persistent organic pollutants (POP)	MT	Not Monitored	Not monitored
Volatile organic compounds (VOC)	MT	Not Monitored	Not monitored
Hazardous air pollutants (HAP)	MT	Not Monitored	Not monitored
Others – please specify	MT	Not Monitored	Not monitored

If any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

Stack emission monitoring for Particulate Matter, SOx, NOx emissions is conducted at regular intervals in compliance with legal mandates by the NABL-accredited Star Analytics Centre.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2e	2,81,022.83	2,66,475.45
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2e	1,05,749.72	1,05,096.38
Total Scope 1 and Scope 2 emissions per Lakh rupee of Turnover	Metric tonnes of CO_2e per INR Lakhs	2.17	2.29
Total Scope 1 and Scope 2 emission intensity(optional)	Metric tonnes of CO_2e per CBM	0.71	0.71

If any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

If yes, name of the external agency.

Not Applicable

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, The Company has considered taking several energy efficiency measures for optimising electricity consumption and reducing its Scope 1 and 2 GHG emissions.

- IGBC Green Factory Building Certification: -The Company has been awarded the IGBC Green Factory Building Certification for implementing effective measures such as soil erosion prevention, proper management of irrigation system, biomass-based energy plant. The Company's goal is to utilise the Certification as a roadmap to effectively implement sustainable practices aimed at reducing GHG emissions.

- Biomass-based Energy Plant: -Process waste like bark and rejected chips are utilised as fuel in the energy plant which is a sustainable alternative to traditional fossil fuels used for firing such as coal or natural gas, leading to significantly lesser CO_2 emissions.

- The outdoor lighting is equipped with timers to reduce power consumption, and pit pumps are equipped with float switches to optimise power usage.

- The introduction of Dynasteam system in the Press has increased production capacity by 15-30% and reduced Press belt power consumption by 25-30% as well as resin consumption.

- Standard line profile and thickness sensors have been used in the Sanding machine to reduce electricity consumption and cost.

- Upgrades such as installation of VFD in prelamination paper room AHU, LED lights in admin building and control rooms, and changing starters from star delta to VFD for Thermic fluid pumps 1, 2 and 3 have resulted in reduced power usage. Automation has been implemented in AHU for improved energy management.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total waste generated (In metric tonnes)		
Plastic waste (A)	4.24 MT	4.01 MT
E-waste (B)	0.00012 MT	0.01 MT
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)-(Fly Ash, Used Oil, ETP Sludge, Oil filters, Cotton Waste)	1,690.40 MT Fly Ash from boiler- 1682.63 MT Used Oil- 5.44 MT ETP sludge- 2.04 MT Used Air/Oil Filters- 0.15 MT Cotton waste- 0.13 MT	1,637.12 MT Fly Ash from boiler- 1628.98 MT Used Oil- 6.37 MT ETP sludge- 1.71 MT Used Air/Oil Filters- 0.02 MT Cotton waste- 0.04 MT
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	420.28 MT Metal Scrap- 74.30 MT Wood Scrap- 345.98 MT	581.21 MT Metal Scrap- 35.82 MT Wood Scrap- 545.39 MT
Total (A+B + C + D + E + F + G + H)	2,110.68 MT	2,218.34 MT
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled-Plastic Waste	NA	15MT
(ii) Re-used	NA	NA
(iii) Other recovery operations	NA	NA
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	0.442MT
Total		

Note: The company has recycled 15 MTs plastic waste, and safely disposed 442 kg e-waste through authorised vendors in FY 2020-21.

Business Responsibility and Sustainability Report

If any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

If yes, name of the external agency.

Not Applicable

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Waste Management Strategy: - Greenpanel has implemented 6S training for all its employees to improve housekeeping practices, following the principles of Sort out, Set in Order, Shine, Standardise, and Sustain. These 5S initiatives are sustained through regular audits, training, competitions, rewards, and recognition. Separate bins have been installed at Greenpanel's manufacturing facility for the collection of different types of waste generated during the manufacturing processes. The waste is then sent for recycling, reprocessing, and proper disposal through registered vendors.

Waste Management Practices - The waste generated mainly consists of wood waste and chemical waste, which are recycled internally through the Effluent Treatment Plant (ETP) to minimise harm to the environment. The source of waste is the production process, and it is responsibly disposed of post-ETP process to ensure minimal environmental impact. The solid waste from ETP treatment is used as fuel, and treated water is reused in the manufacturing process. The Company has established partnerships with brick manufacturers for the utilisation of fly ash generated from the boilers in energy plant. The Company disposes of packaging materials and waste oil through authorised agencies, issuing Form 10 against the disposed material, which is then submitted to the Pollution Board.

Chemical Management: - The Company has installed a Wax Emulsion system for reducing wax consumption and ensuring uniform distribution of wax across the fibre during the manufacturing processes. The management of chemicals at Greenpanel's manufacturing plant is handled by a dedicated team that is trained to manage the usage and discharge of chemicals. The Company is also exploring the possibility of using PMDI resin for E0 products as part of its ongoing efforts to enhance environmental sustainability.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance is being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA	NA	NA	NA

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of Project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
0	NA			NA	NA

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
0			NA	NA

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	20,59,928 GJ	18,92,158.50 GJ
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	20,59,928.39 GJ	18,92,158.50 GJ
From non-renewable sources		
Total electricity consumption (D)	4,81,897.46 GJ	4,78,920.23GJ
Total fuel consumption (E)	1,648.58 GJ	1,372.89 GJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	4,83,546.04 GJ	4,80,293.12 GJ

If any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

The Company has conducted ISO 14001 independent assessment by “DBS Certification” to evaluate the conformance of Greenpanel's EMS significant environmental aspects, which included energy consumption, as part of the Company's EMS implementation. Regular internal audits are also conducted to ensure the effectiveness of the EMS, such as reviewing energy consumption data and identifying opportunities for achieving energy efficiency.

2. **Provide the following details related to water discharged:**

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not Applicable	Not Applicable
No treatment	-	-
with treatment – please specify level of treatment	-	-
(ii) To Groundwater	Not Applicable	Not Applicable
No treatment	-	-
with treatment – please specify level of treatment	-	-
(iii) To Seawater	Not Applicable	Not Applicable
No treatment	-	-
with treatment – please specify level of treatment	-	-
(iv) Sent to third parties	Not Applicable	Not Applicable
No treatment	-	-
with treatment – please specify level of treatment	17,779KL	17,198 KL
(v) Others	Not Applicable	Not Applicable
No treatment	-	-
with treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	17,779KL	17,198 KL

If any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

The Company has undergone an independent ISO 14001 assessment by "DBS Certification" to evaluate the conformance of Greenpanel's EMS significant environmental aspects, which includes water consumption, as part of the Company's EMS implementation. Regular internal audits are also conducted to ensure the effectiveness of the EMS, such as reviewing water consumption data and identifying opportunities for achieving water productivity.

3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area – Not Applicable

(ii) Nature of operations -Not Applicable

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	Not Applicable
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not Applicable	Not Applicable
No treatment		
with treatment – please specify level of treatment		
(ii) To Groundwater		
No treatment		
with treatment – please specify level of treatment		
(iii) To Seawater		
No treatment		
with treatment – please specify level of treatment		
(iv) Sent to third parties		
No treatment		
with treatment – please specify level of treatment		
(v) Others		
No treatment		
with treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

If any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

If yes, name of the external agency.

Not Applicable

4. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	As an environmentally responsible company, Greenpanel understands that it is crucial to comprehensively evaluate and manage the entire carbon footprint value chain, including Scope 3 emissions for proper assessment of its environmental impact. Owing to the vastness of its supply chain, the Company is currently under progress to establish Scope 3 emission monitoring and accounting system.	
Total Scope 3 emissions per rupee of Turnover			
Total Scope 3 emission intensity(optional) – the relevant metric may be selected by the entity			

If any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

If yes, name of the external agency.

Not Applicable

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Based on the Company's operations and office locations, Question 10 is not applicable as Greenpanel does not have presence in or around ecologically sensitive areas or protected forests. Therefore, the entity does not have any significant direct or indirect impact on biodiversity in such areas.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Paper Room AHU with VFD	VFD has been installed in the prelamination paper room AHU in place of a DOL. As a result, we can alter the required RPM of the motor and reduction in power usage.	Energy savings/ year= 8672.4 KWh
2.	Upgradation to LED Lights	Metal halide lamps, high mast tower lights have been upgraded with LEDs. In addition to this, a timer is used to switch ON and OFF the illumination in plant premises. As a result, there has been a reduction in the use of electricity.	20 KW savings in power consumption from 500W LED Lights as compared to 400W flood lights
3.	Compressor no. 4 running continuously on VFD. As a result, it altered the required RPM of the motor depending on the air pressure and reduce power usage.	As a result, it altered the required RPM of the motor depending on the air pressure and reduce power usage.	Energy savings/ year= 6,12,586.8 KWh
4.	The press hydraulic pump is kept on standby;	Earlier the Company used to run 4 pumps, and now instead of 4, it runs 3 pumps, which saves power.	Energy savings/ year=264960.8 KWh
5.	VFD has been installed in the packing machine in place of DOL	The Company can alter the required RPM of the motor and reduce power usage.	Energy savings/ year=9723.6 KWh
6.	Wax Emulsion System	The wax consumption (required for MDF manufacturing) has been reduced by 30% by installation of wax emulsion system	30% reduction in wax consumption from previous FY.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has developed a comprehensive Business Continuity/Disaster Management Plan with the aim of ensuring the safety of employees, protecting its assets, maintaining business operations, and minimising potential environmental impact. This plan includes conducting a thorough risk assessment, establishment of an Emergency Response Team (ERT) with clear roles and responsibilities, developing a Business Continuity Plan (BCP) with alternative strategies for continuity, implementing data backup and recovery procedures, maintaining strong supply chain management practices, prioritising employee safety and welfare, mitigating environmental impact, conducting regular testing and review, and establishing clear communication and coordination protocols among stakeholders. The plan will be periodically reviewed and updated to ensure its effectiveness in mitigating the impact of potential disasters or emergencies of our operations.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

None.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company is in the process of conducting assessments to identify potential environmental risks and vulnerabilities within its value chain. This will involve evaluating the environmental preparedness and resilience of suppliers, customers, and other stakeholders to various environmental hazards, such as natural disasters, pollution incidents, and other environmental emergencies, the data for which shall be available from next FY onwards.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations - Two**

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ Associations	Reach of trade and industry chambers/ associations (State/National)
1.	Indian Chamber of Commerce	National
2.	Federation of Indian Plywood and Panel Industries	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of case	Corrective action taken
None	NA	NA

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether Information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly /Others – please specify)	Web Link, if available
			None		

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   The Corporate Social Responsibility committee performs internal assessment of its initiatives on frequent intervals for the effectiveness of the CSR projects. Social Impact Assessment will be conducted by the company in the next financial year for the plantation programme in Chittoor.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

   Not applicable.

3. **Describe the mechanisms to receive and redress grievances of the community.**

   The Company engages with the local communities through their CSR activities. The Company has a CSR committee in place which is responsible for identifying, evaluating, and recommending CSR projects based on the inputs received from the plant. The CSR committee along with the CSR project manager and supervisor regularly conducts reviews through surveys and focused group meetings to address the needs and grievances of the communities. These efforts ensure that the CSR projects are aligned with the community's requirements and contribute to their overall development.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Parameter	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	1.97%	0.12%
Sourced directly from within the district and neighbouring districts	29.76%	32.36%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).**

   Not applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.**

   Nil

3. a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)**

   The company has incorporated a preferential procurement policy as part of its commitment to BRSR Principle 8, which focuses on promoting inclusive growth and equity. This policy emphasises the company's focus to engage with vulnerable and marginalised groups while procuring input materials, with the goal of contributing to the economic upliftment of all sectors of society.

   b) **From which marginalised/vulnerable groups do you procure?**

   At present, the company does not procure input materials from vulnerable and marginalised groups. However, Greenpanel is actively working towards promoting inclusivity and equity through its plantation program by distributing saplings to farmers near the operational areas, with the intention of establishing long-term partnerships with them for the supply of raw materials to Greenpanel in the future.

   c) **What percentage of total procurement (by value) does it constitute?**

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.**

S No.	Intellectual Property Based on Traditional Knowledge	Owned/Acquired (Yes/No)	Benefit Shared (Yes/No)	Basis of Calculating Benefit
		Not Available		

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken	Remarks
The Registrar of Trademarks, Kolkata	M/s. Gupta plywood of 98/4, Surendra Nath Banerjee Road, Kolkata - 700014, West Bengal applied for registration of trademark identical to the company's registered trademark, under class 19 and 35.	Notice of opposition was duly filed against both the applications.	The hearing is under process.

6. **Details of beneficiaries of CSR Projects:**

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
Plantation Programme	838	100%
Healthcare	3925	100%
Education	106	100%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

For the end consumers, the Company offers multiple channels for customer complaints registration, primarily by lodging the grievances through authorised dealers or directly to the company by calling on the toll-free number, dropping mails at info@greenpanel or registering their complaints via provision of "Enquire Now" tab on the website: - https://www.greenpanel.com/about/. The Company actively monitors these platforms through its customer grievance redressal forum, for ensuring prompt and effective resolution of grievances and complaints.

For influencers such as architects, designers, carpenters, and contractors, the Company engages via regular meets to gather their valuable inputs and feedback. Additionally, influencers can also register any complaints or queries via provision of "Enquire Now" tab on the website: - https://www.greenpanel.com/about/.

Furthermore, for the trade partners, the Company organises dealer meets through an initiative" UDAAN - Nayi Disha Nayi Soch", to seek dealer inputs and feedback. Similarly, Greenpanel's mobile application plays a pivotal role in seamlessly communicating and engaging with trade partners and carpenters.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

3. **Number of consumer complaints in respect of the following:**

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	NA	NA	NA	NA	NA	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	**NA**	**0**	**0**	**NA**

*NA=Not Applicable

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, The Company's Customer Relations Policy includes clauses that emphasise the importance of safeguarding the privacy of customers' private and confidential data throughout their business operations. The policy highlights that the Company adheres to relevant data protection laws and regulations and implements industry-standard security practices and technologies to safeguard customer data. The Company also restricts access to customer data to only authorised employees who require it for legitimate business purposes. This policy reflects the Company's commitment to protect the sensitive information of its customers and ensure that it is handled with utmost sensitivity and security.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

The Company has not received any consumer complaints related to data privacy or cybersecurity, and it does not provide any essential services that would require corrective actions to be taken in these areas.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

A.) Website- https://www.greenpanel.com/

B.) E-Commerce Channels - NA

C.) Annual Reports - https://www.greenpanel.com/annual-report/

D.) Social Media Advertisements -

(i) https://www.facebook.com/officialgreenpanel/

(ii) https://www.instagram.com/greenpanelofficial/?hl=en

(iii) https://in.linkedin.com/company/greenpanel-industries-limited

E.) Branding advertisements in sports events -https://www.youtube.com/@greenpanelindustrieslimite6993/videos

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/ or service.**

The Company's marketing approach, known as "EIDA," is geared towards educating consumers, providing them with information on safe and responsible usage, and demonstrating the superiority of Greenpanel MDF. Furthermore, the Company has established a dealer connect initiative called "UDAAN - Nayi Disha Nayi Soch," to educate and inform trade partners about global furniture and building material trends highlighting how Greenpanel's advanced manufacturing facilities and diversified product portfolio deliver superior value. Greenpanel ensures that its products comply with all the expected standards for VOCs, formaldehyde, and other emissions. The certification labels are displayed on the products to empower customers to make informed decisions. Moreover, this information is also disclosed on the Company's website in form of product brochures. Moreover, the Company conducts comprehensive engagement programs with influencers, such as architect meets, contractor meets, and carpenter meets, where product details and relevant information are shared to demonstrate the safe and effective usage of products.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   The Company's operations and products/services do not qualify under essential services - hence this is not applicable for the Company.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

   Yes, the Company displays relevant technical standards, emission class with formaldehyde content and adherence to ISO 9001:2015, ISO 14001:2015, OHSA 18001: 2007, FSC®, CARB, EPA of each product in the product brochures as per local laws.

   Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   The Company prioritises diligent evaluation of customer feedback to gain valuable insights and make prompt improvements in the value chain to ensure customer by monitoring customer reviews collected from online and offline modes for proactive assessment of feedbacks.

5. **a. Number of instances of data breaches along-with impact:** During the fiscal year 2023, no valid complaints were received from external parties or regulatory authorities regarding breaches of customer privacy.

   b. Percentage of data breaches involving personally identifiable information of Customers: 0%

Corporate Governance Report

As required under regulation 34(3) read with Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations"), the details of compliance by the company with the norms on corporate governance are as follows:

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

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

2. BOARD OF DIRECTORS

a. Composition of the board of directors and category of directors:

The board comprises an optimal combination of executive, non-executive, and independent directors. As of March 31, 2023, the composition of the board is as follows:

- One executive promoter chairman
- One executive promoter director
- Four non-executive independent directors (including one woman director)

The composition of the board is in accordance with regulation 17(1) of the Listing Regulations and section 149 of the Companies Act, 2013 (hereinafter referred to as "the Act").

The independent directors have neither had nor have any material pecuniary relationship with the company, its subsidiary or associate companies, or their promoters or directors, during the two immediately preceding financial years or during the current financial year, apart from receiving the sitting fees, reimbursement of expenses incurred for attending the board meeting, committee meetings, and independent directors' meetings, and receiving commission as approved by the shareholders of the company and in compliance with the provisions of Section 197 of the Act. All the independent directors have given declarations as required under regulation 25(8) of the Listing Regulations and section 149(7) of the Act that they have satisfied the criteria of independence as laid down in regulation 16(1)(b) of the Listing Regulations and section 149(6) of the Act.

Ms. Sushmita Singha, an independent director, resigned from the board of directors of the company with effect from April 7, 2022, due to preoccupation. Ms. Shivpriya Nanda has joined as an independent woman director of the company with effect from July 6, 2022.

b. Attendance of Directors at the meetings of the Board of Directors and at the 5th Annual General Meeting of the Company:

During the financial year 2022-23, five meetings of the board of directors were held on May 6, 2022; July 6, 2022; July 22, 2022; November 8, 2022; and January 30, 2023.

The composition of the board of the company and the attendance of each director at the board meetings held during the financial year 2022-23 and at the previous annual general meeting ("AGM"), i.e., at the 5th AGM held on September 5, 2022, are as follows:

Sl. No.	Name of the Directors and Director Identification Number (DIN)	Category of directorship	No. of Board Meetings		Attendance at 5th AGM
			Held	Attended	
1.	Mr. Shiv Prakash Mittal (DIN: 00237242)	Executive Chairman-Promoter Director	5	5	Yes
2.	Mr. Shobhan Mittal (DIN: 00347517)	Managing Director and CEO-Promoter Director	5	5	Yes
3.	Mr. Salil Kumar Bhandari (DIN: 00017566)	Non-Executive - Independent Director	5	5	Yes
4.	Mr. Mahesh Kumar Jiwrajka (DIN: 07657748)	Non-Executive - Independent Director	5	5	Yes
5.	Ms. Shivpriya Nanda* (DIN: 01313356)	Non-Executive - Independent Director	3	3	Yes
6.	Mr. Arun Kumar Saraf (DIN: 00087063)	Non-Executive - Independent Director	5	5	Yes

* Ms. Shivpriya Nanda has joined the company as independent director w.e.f. July 6, 2022

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

The number of other listed entities' boards or board committees in which the directors are members or chairpersons and the names of other listed companies along with the category of directorship as of March 31, 2023 are as follows:

Sl. No.	Name of the Director	No. of outside directorship held		No. of outside committees** (in public limited companies)		Name of other Listed Companies and Category of Directorship
		Public	Private	Member#	Chairman	
1	Mr. Shiv Prakash Mittal	1	5	1	1	Greenlam Industries Limited - Non-Executive Chairman
2	Mr. Shobhan Mittal	-	6	-	-	-
3	Mr. Salil Kumar Bhandari	4	2	2	1	Hindware Home Innovation Limited- Independent Director
4	Mr. Mahesh Kumar Jiwrajka	-	2	-	-	-
5	Ms. Shivpriya Nanda	3	-	4	1	Jubilant Industries Limited – Independent Director
6	Mr. Arun Kumar Saraf	-	1	-	-	-

** Membership/Chairmanship of audit committee and stakeholders' relationship committee has only been considered

Number of memberships also includes chairmanship held in the committee(s)

The number of directorships, committee memberships, / chairmanships of all directors is within the respective limits prescribed under the Act and the Listing Regulations.

d. Information supplied to the Board of Directors:

During the financial year 2022-23, all necessary information, as required under the applicable provisions of the Act, the Listing Regulations, and other applicable laws and rules, was placed and discussed at the board meetings.

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

As of March 31, 2023, none of the non-executive directors held any convertible instruments in the company. The shareholdings of non-executive directors are as follows:

1. Salil Kumar Bhandari holds 5,000 equity shares, comprising 0.0041% of the total paid-up share capital.
2. Mr. Arun Kumar Saraf holds 20,000 equity shares, comprising 0.01% of the total paid-up share capital.

f. Separate Meeting of Independent Directors:

During the year under review, a separate meeting of the independent directors of the company was convened on January 30, 2023, inter alia, to perform the following:

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

All the independent directors were present at the above meeting.

g. Familiarisation programme for Independent Directors:

Pursuant to regulation 25(7) of the Listing Regulations, during the financial year 2022–23, the company conducted a familiarisation programme for independent directors to facilitate their understanding of the plant operations and CSR projects undertaken by the company in the state of Andhra Pradesh and their progress. The details of the same have been disclosed on the website of the company.: https://www.greenpanel.com/wp-content/uploads/2023/02/Familiarisation_Programme_imparted_to_IDs_2022-23.pdf

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

Based on the declaration of independence pursuant to Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, received from each of the independent directors of the company and placed before the board of directors in their meeting held on April 24, 2023, it is confirmed by the board of directors that Mr. Salil Kumar Bhandari, Mr. Mahesh Kumar Jiwrajka, Mr. Arun Kumar Saraf, and Ms. Shivpriya Nanda, independent directors of the company, fulfil the conditions specified in the Act and the Listing Regulations and are independent of the management.

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

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

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

j. Detailed reason for the resignation of an Independent Director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided:

During the financial year 2022–23, Ms. Sushmita Singha (DIN: 02284266) resigned as independent director of the company w.e.f. April 7, 2022, due to preoccupation before the expiration of her tenure. The company has received confirmation from Ms. Sushmita Singha that there are no other material reasons for her resignation other than those stated in her resignation letter dated April 7, 2022.

k. Disclosures of relationships between Directors inter-se:

Name of the Directors	Category of Directorship	Relationship between Directors
Mr. Shiv Prakash Mittal	Executive Chairman-Promoter Director	Mr. Shobhan Mittal (Son)
Mr. Shobhan Mittal	Managing Director and CEO - Promoter Director	Mr. Shiv Prakash Mittal (Father)
Mr. Salil Kumar Bhandari	Non-Executive-Independent Director	None
Mr. Mahesh Kumar Jiwrajka	Non-Executive-Independent Director	None
Mr. Arun Kumar Saraf	Non-Executive-Independent Director	None
Ms. Shivpriya Nanda	Non-Executive-Independent Director	None

l. Board Evaluation:

The nomination and remuneration committee has formulated a policy for the evaluation of the board, its committees, and its directors, and the same has been approved and adopted by the board. The details of the board's evaluation form part of the board's report.

m. Terms and conditions of appointment of Independent Directors:

The terms and conditions of the appointment of independent directors have been placed on the website of the company: https://www.greenpanel.com/wp-content/uploads/2022/07/Appointment-Letters-of-Independent-Directors.pdf

3. CODE OF CONDUCT

Details of the code of conduct for board members and senior management of the company are available on the company's website at https://www.greenpanel.com/wp-content/uploads/2020/05/Code-of-Conduct-of-BOD-Senior-Mngt-Personnel.pdf, annual declaration signed by the Managing Director and CEO of the company pursuant to regulation 26(3) read with Schedule V (Part D) of the Listing Regulations is annexed to this report as "Annexure-A".

4. COMMITTEES OF BOARD OF DIRECTORS

The board of directors has constituted various committees to deal with specific areas and review operational and routine matters. The board has delegated its power to its committees to perform their duties in true spirit and in the interest of the company and its stakeholders in an efficient and timely manner.

The committees of the board of directors are set up under the formal approval of the board to conduct clearly defined roles that are performed by members of the board as a part of good governance practise. The minutes of the meetings of all committees are placed before the board for review.

There were the following six committees of the board of directors of the company as of March 31, 2023:

a. Audit Committee,
b. Nomination and Remuneration Committee,
c. Stakeholders Relationship Committee,
d. Corporate Social Responsibility Committee
e. Operational Committee and
f. Risk Management Committee.

a) Audit Committee:

The audit committee of the company is constituted in alignment with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations.

Composition:

As of March 31, 2023, the audit committee of the company consists of 5 (five) directors, i.e., 4 (four) non-executive independent directors and 1 (one) executive-promoter director:

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

Ms. Sushmita Singha, an independent director, resigned from the board of directors of the company with effect from April 7, 2022, and ceased to be a member of the audit committee. The committee was reconstituted on July 22, 2022, by inducting Ms. Shivpriya Nanda as a member.

Mr. Lawkush Prasad, Company Secretary and VP-Legal of the company, acts as the secretary of the audit committee.

Brief description of terms of reference:

Power of audit committee:

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

(ii) To seek information required from any employee.

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

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

Role of audit committee:

The role of audit committee shall include the following:

(i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.

(ii) Recommendation for the appointment, remuneration, and terms of appointment of auditors of the company.

(iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors except those that are specifically prohibited.

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

a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.

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

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

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

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

f. Disclosure of any related party transactions

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

(v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

(vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.

(vii) Review and monitor the auditor's independence, performance, and effectiveness of the audit process.

(viii) Approval or any subsequent modification of transactions of the company with related parties and scrutiny of the method used to determine the arm's length price of any transaction.

(ix) Scrutiny of inter-corporate loans and investments.

(x) Valuation of undertakings or assets of the company, wherever it is necessary.

(xi) Evaluation of internal financial controls and risk management systems.

(xii) Reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems.

(xiii) Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage, and frequency of internal audit.

(xiv) Discussion with internal auditors of any significant findings and follow up thereon.

(xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

(xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

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

(xviii) To review the functioning of the whistle blower mechanism.

(xix) Approval of appointment of the chief financial officer after assessing the qualifications, experience, background, etc. of the candidate.

(xx) Reviewing the utilisation of loans and/or advances from or investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments as on the date of coming into force of this provision.

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

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

Review of information by the audit committee:

The audit committee shall mandatorily review the following information:

- Management discussion and analysis of the financial condition and results of operations.
- Management letters or letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal, and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Statement of deviations:
    1. quarterly statement of deviation(s), including the report of the monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
    2. annual statement of funds utilised for purposes other than those stated in the offer document, prospectus, or notice in terms of Regulation 32(7) of the Listing Regulations.

Meetings and attendance during the year:

During the financial year 2022-23, four meetings of the audit committee were held on May 6, 2022; July 22, 2022; November 8, 2022, and January 30, 2023.

The attendance of committee members was as follows:

Name of the committee members	Category	Number of meetings during the tenure	
		Held	Attended
Mr. Salil Kumar Bhandari	Non-Executive-Independent Director	4	4
Mr. Shiv Prakash Mittal	Executive-Promoter Director	4	4
Mr. Mahesh Kumar Jiwrajka	Non-Executive-Independent Director	4	4
Mr. Arun Kumar Saraf	Non-Executive-Independent Director	4	4
Ms. Shivpriya Nanda	Non-Executive-Independent Director	2	2

Besides the committee members, the committee meetings are attended by the representatives of statutory auditors and internal auditors.

b) Nomination and Remuneration Committee:

The nomination and remuneration committee of the company is constituted in alignment with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, and the terms of reference, including the role and powers of the committee, have been modified accordingly.

Composition:

As of March 31, 2023, the nomination and remuneration committee of the company consists of three non-executive independent directors.

Sl. No.	Name of the committee member	Category	Designation
1	Mr. Salil Kumar Bhandari	Independent Director	Chairman
2	Mr. Mahesh Kumar Jiwrajka	Independent Director	Member
3	Mr. Arun Kumar Saraf	Independent Director	Member

Ms. Sushmita Singha, Independent Director, resigned from the board of directors of the company with effect from April 7, 2022, and ceased to be a member of the nomination and remuneration committee. The committee was reconstituted on July 22, 2022, by inducting Mr. Arun Kumar Saraf as a member.

Mr. Lawkush Prasad, company secretary and VP-legal of the company, acts as the secretary of the nomination and remuneration committee.

Terms of reference:

The nomination and remuneration committee shall be responsible for, beside other things, as may be required by the company from time to time, the following:

1. To formulate criteria for:
    i. determining the qualifications, positive attributes, and independence of a director.
    ii. evaluation of the performance of independent directors and the board of directors.
2. To devise policies on:
    i. remuneration, including any compensation related payments to the directors, key managerial personnel, and other employees, and recommend the same to the board of the company.
    ii. Board diversity means laying out an optimum mix of executive, independent and non-independent directors keeping in mind the needs of the company.
3. To identify persons who are qualified to:
    i. become directors in accordance with the criteria laid down and recommend to the board the appointment and removal of directors.
    ii. be appointed in senior management in accordance with the policies of the company and recommend their appointment or removal to the HR department and to the board.
4. To specify the manner for effective evaluation of performance of board, its committees, and individual directors to be carried out either by the board, by the nomination and remuneration committee or by an independent external agency and review its implementation and compliance.
5. To carry out an evaluation of the performance of every director of the company.
6. To express the opinion to the board that a director possesses the requisite qualification(s) for the practice of the profession in case the services to be rendered by a director are of a professional nature.
7. To decide whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors.
8. To recommend to the board all remuneration, in whatever form, payable to senior management personnel.
9. To carry out such other business as may be required by applicable law or delegated by the board or considered appropriate in view of the general terms of reference and the purpose of the nomination and remuneration committee.

Meetings and attendance during the year:

During the financial year 2022–23, three meetings of the nomination and remuneration committee were held on May 6, 2022; July 6, 2022; and July 22, 2022.

The attendances of committee members were as under:

Name of the committee members	Category	Number of meetings during the tenure	
		Held	Attended
Mr. Salil Kumar Bhandari	Non-Executive-Independent Director	3	3
Mr. Mahesh Kumar Jiwrajka	Non-Executive-Independent Director	3	3
Mr. Arun Kumar Saraf	Non-Executive-Independent Director	0	0

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

The nomination and remuneration committee has duly formulated the performance evaluation criteria for all the directors (including independent directors) of the company. The said criteria are disclosed in the directors' report, which forms part of the annual report of the company.

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

The board has adopted the remuneration policy on the recommendation of the nomination and remuneration committee in compliance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

This policy applies to all the "executives" of the company and is valid for all employment agreements of the executives entered into after the approval of the policy and for changes made to existing employment agreements of the executives thereafter. The remuneration structure of the company consists of fixed and variable salaries. The non-executive and independent directors of the company may receive remuneration only by way of sitting fees, reimbursement of expenses for participation in meetings of the board or committee thereof, and profit-related commissions, as may be permissible by the applicable law. Additionally, the policy also lays down the overall selection criteria for the executives of the company based on competencies, capabilities, compatibility, strong interpersonal skills, and commitment, among others. The remuneration policy of the company is uploaded on its website at https://www.greenpanel.com/wp-content/uploads/2019/11/Remuneration-Policy.pdf

REMUNERATION TO DIRECTORS:

(i) Executive Directors:

The details of remuneration, including commission, to all executive directors for the year ended March 31, 2023 are as follows, and the same is within the ceiling prescribed under the applicable provisions of the Act.

(Amount ₹ in Lakhs)

Name and designation	Service contract/Notice period*	Salary	Commission	Provident Fund	Perquisites and other allowances	Total
Mr. Shiv Prakash Mittal (Executive Chairman)	Appointed w.e.f. July 19, 2019 till June 30, 2024	392.08	475.00	43.20	-	910.28
Mr. Shobhan Mittal (Managing Director and CEO)	Appointed w.e.f. July 19, 2019 till June 30, 2024	418.84	475.00	10.80	13.10	917.74

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

(ii) Non-Executive Directors:

The details of sitting fees to Non-Executive Directors for the financial year 2022-23 are as follows:

Name	Service contract/ Notice period	Sitting fees (₹ In Lakhs)	Commission (In Lakhs)
Mr. Salil Kumar Bhandari	Appointed for five years w.e.f. August 06, 2018 till August 05, 2023.	5.30	10.00
Mr. Mahesh Kumar Jiwrajka	Appointed for five years w.e.f. August 06, 2018 till August 05, 2023.	6.50	10.00
Ms. Shivpriya Nanda	Appointed for five years w.e.f. July 06, 2022 till July 05, 2027	2.70	10.00
Mr. Arun Kumar Saraf	Appointed for five years w.e.f. August 14, 2019 till August 13, 2024	5.10	10.00

There are no sitting fees paid to the Executive Chairman and the Managing Director and CEO of the company for attending board and committee meetings. Except as mentioned above, there was no pecuniary relationship or transaction between independent directors and the company. The company has not granted any stock options to its directors.

The criteria for making payments to non-executive directors are disclosed on the company's website at https://www.greenpanel.com/wp-content/uploads/2020/05/Criteria-for-making-payment-to-Non-Executive-Directors.pdf

The details of shares held by the executive and non-executive directors of the company as of March 31, 2023 are as follows:

Name of the Directors	Category	Number of Equity Shares held
Mr. Shiv Prakash Mittal	Executive Promoter Director	46,04,900
Mr. Shobhan Mittal	Executive Promoter Director	1,05,88,380
Mr. Salil Kumar Bhandari	Non-Executive Independent Director	5,000
Mr. Mahesh Kumar Jiwrajka	Non-Executive Independent Director	0
Ms. Shivpriya Nanda	Non-Executive Independent Director	0
Mr. Arun Kumar Saraf	Non-Executive Independent Director	20,000

c) Stakeholders Relationship Committee:

The stakeholder relations committee of the company is constituted in line with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations.

Composition:

As of March 31, 2023, the stakeholder relationship committee of the company consists of one non-executive independent director and two executive promoter directors, as follows:

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

In terms of Regulation 6 of the Listing Regulations, the board has appointed Mr. Lawkush Prasad, Company Secretary and VP-Legal, as the compliance officer of the company. He acts as the secretary of the committee.

Terms of reference of the Stakeholder's Relationship Committee are as follows:

1. To ensure proper and timely attendance and redressal of grievances of security holders of the company in relation to:
   a. Transfer or transmission of shares,
   b. Non-receipt of annual reports,
   c. Non-receipt of declared dividends,
   d. All such complaints directly concerning the shareholders, investors, and stakeholders of the company; and
   e. Any such matters that may be considered necessary in relation to shareholders and investors of the company.
2. Reviewing the measures taken for the effective exercise of voting rights by shareholders.
3. Reviewing the adherence to the service standards adopted by the company in respect of various services being rendered by the registrar and share transfer agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from the shareholders from time to time.
6. To review and / or approve applications for transfer, transmission, transposition, and mutation of share certificates including issue of duplicate certificates and new certificates on split / sub-division / consolidation / renewal and to deal with all related matters as may be permissible under applicable law.
7. To review and approve requests for dematerialisation and re-materialisation of securities of the Company and such other related matters.
8. Appointment and fixing of remuneration of registrar and transfer agents and overseeing their performance.
9. Review the status of the litigation(s) filed by/against the security holders of the company.
10. Review the status of claims received for unclaimed shares.
11. Recommending measures for overall improvement in the quality of investor services.
12. Review the impact of enactments or amendments issued by the MCA, SEBI and other regulatory authorities on matters concerning the investors in general.

    Such other matters as per the directions of the board of directors of the company and/ or as required under regulation 20 read with Part D of Schedule II of the Listing Regulations.
13. To conduct such other business as may be required by applicable law or delegated by the board of directors of the company or considered appropriate in view of its terms of reference.

Details of complaints received and resolved during the year ended March 31, 2023:

Received during the year	Resolved during the year	Not solved to the satisfaction of the shareholders	Pending at the end of the year
2	2	-	-

Meetings and attendance during the year:

During the financial year 2022-23, 2 (two) meetings of the stakeholder relationship committee were held on August 23, 2022 and January 11, 2023.

The attendances of committee members were as under:

Name of the Committee Members	Category	Number of meetings	
		Held	Attended
Mr. Mahesh Kumar Jiwrajka	Non-Executive-Independent Director	2	2
Mr. Shiv Prakash Mittal	Executive-Promoter Director	2	2
Mr. Shobhan Mittal	Executive-Promoter Director	2	0

d) Corporate Social Responsibility Committee:

The corporate social responsibility (CSR) committee of the company is constituted as per Section 135 of the Act. The CSR committee, inter alia, had formulated and recommended to the board a corporate social responsibility policy that indicates the activities to be undertaken by the company as specified in Schedule VII to the Act. The CSR Committee recommends the amount of expenditure to be incurred on CSR activities and monitors the CSR activities undertaken by the company from time to time.

Composition:

As of March 31, 2023, the corporate social responsibility committee of the company consists of one non-executive independent director and two executive promoter directors, as follows:

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

Ms. Sushmita Singha, Independent Director, resigned from the board of directors of the company with effect from April 7, 2022, and ceased to be a member of the corporate and social responsibility committee. The committee was reconstituted on July 22, 2022, by inducting Mr. Mahesh Kumar Jiwrajka, Non-Executive Independent Director of the company, as the chairperson of the committee.

Terms of reference of the Corporate Social Responsibility Committee

1. To formulate, monitor, and recommend to the board the CSR Policy, including the activities to be undertaken by the company.
2. To recommend the amount of expenditure to be incurred on the CSR activities undertaken.
3. To monitor the implementation of the framework of corporate social responsibility policy.
4. To evaluate the social impact of the company's CSR Activities,
5. To review the company's disclosure of CSR matters,
6. To submit a report on CSR matters to the board at such intervals and in such format as may be prescribed.
7. To consider other functions, as defined by the board or as may be stipulated under any law, rule, or regulation, the Corporate Social Responsibility Voluntary Guidelines 2009, and the Act.

Meetings and attendance during the year:

During the financial year 2022–23, five meetings of the corporate social responsibility (CSR) committee were held on May 6, 2022, September 15, 2022, October 31, 2022, December 13, 2022, and January 30, 2023, and the attendance of the committee members was as follows:

Name of the committee members	Category	Number of meetings during the tenure	
		Held	Attended
Mr. Mahesh Kumar Jiwrajka	Non-Executive-Independent Director	5	4
Mr. Shiv Prakash Mittal	Executive-Promoter Director	5	4
Mr. Shobhan Mittal	Executive-Promoter Director	5	4

e) Risk Management Committee:

The risk management committee of the company is constituted in terms of Regulation 21 of the Listing Regulations. The board has also formulated a risk management policy for the company.

Composition:

As of March 31, 2023, the risk management committee of the company consists of 1 (one) non-executive independent director and 2 (two) executive promoter directors, as follows:

Sl. No.	Name of the Committee Member	Category	Designation
1	Mr. Shiv Prakash Mittal	Executive Promoter Director	Chairperson
2	Mr. Shobhan Mittal	Executive Promoter Director	Member
3	Mr. Arun Kumar Saraf	Non-Executive Independent Director	Member

Terms of reference of the Risk Management Committee:

1. To assist the board in the identification, evaluation, classification, and mitigation of non-financial risks and assess management actions to mitigate such risks.
2. To evaluate and ensure that the company has an effective internal control system to enable identification, mitigation, and monitoring of non-financial risks to the business of the Company.
3. To implement proper internal checks and balances and review them periodically.
4. To ensure the implementation of the suggestions, remarks, and comments of the board of directors on the risk management plan.
5. To monitor and review the performance of the non-financial risk owners.
6. To review the effectiveness of the risk management and control systems.
7. periodic reporting to the board of non-financial risk management issues and actions taken in such regard.
8. co-ordinate its activities with the audit committee in instances where there is any overlap in their duties and responsibilities.

Meetings and attendance during the year:

During the financial year 2022-23, two meetings of the risk management committee were held on July 21, 2022, and January 16, 2023.

The attendances of committee members were as under:

Name of the committee members	Category	Number of meetings	
		Held	Attended
Mr. Shiv Prakash Mittal	Executive-Promoter Director	2	2
Mr. Shobhan Mittal	Executive-Promoter Director	2	0
Mr. Arun Kumar Saraf	Non-Executive Independent Director	2	2

f) Operational Committee:

As of March 31, 2023, the committee was comprised of Mr. Shiv Prakash Mittal, Mr. Shobhan Mittal, and Mr. Arun Kumar Saraf. The committee meets as and when required to consider matters assigned to it by the board of directors from time to time.

During the financial year 2022–23, 11 (eleven) meetings of the operational committee were held on April 4, 2022; April 29, 2022; June 15, 2022; July 12, 2022; August 9, 2022; September 29, 2022; October 28, 2022; November 24, 2022; December 29, 2022; January 18, 2023; and March 6, 2023.

5. SUBSIDIARIES:

Details of the subsidiaries of the company and their business activities are provided in the directors' report, which forms part of the annual report of the company. The company has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the Listing Regulations as amended from time to time, and the same is displayed on the company's website at https://www.greenpanel.com/wp-content/uploads/2021/04/Policy-for-determining-Material-Subsidiaries.pdf

6. GENERAL BODY MEETINGS:

a) The details of previous three annual general meetings of the shareholders are as under:

Financial Year	Date of AGM	Venue	Time
2021-22	September 5, 2022	By Video Conferencing/ other audio visual means	11.00 A.M.
2020-21	July 7, 2021	By Video Conferencing/ other audio visual means	11.00 A.M.
2019-20	September 18, 2020	By Video Conferencing/ other audio visual means	11.06 A.M.

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

AGM No.	AGM Date	Details of Special Resolution passed
3rd	September 5, 2022	1. Modification in terms of appointment and payment of remuneration to Mr. Shiv Prakash Mittal (DIN: 00237242), Executive Chairman. 2. Modification in terms of appointment and payment of remuneration to Mr. Shobhan Mittal (DIN: 00347517), Managing Director and CEO. 3. Appointment of Ms. Shivpriya Nanda (DIN: 01313356) as an independent director.
2nd	July 7, 2021	1. Modification in terms of appointment and payment of remuneration to Mr. Shiv Prakash Mittal (DIN: 00237242), Executive Chairman. 2. Modification in terms of appointment and payment of remuneration to Mr. Shobhan Mittal (DIN: 00347517), Managing Director and CEO.
1st	September 18, 2020	Modification in terms of appointment and payment of remuneration to Mr. Shiv Prakash Mittal (DIN: 00237242), Executive Chairman.

c) **The details of Special Resolutions passed through postal ballot during the financial year 2022-23:**

During the financial year 2022-23, the company sought the approval of the shareholders by way of a special resolution through notice of postal ballot dated November 8, 2022, for the shifting of its registered office from the state of Assam to the state of West Bengal, which was duly passed on January 4, 2023.

d) **Person who conducted the postal ballot:**

The board of directors of the company, at their meeting held on November 8, 2022, appointed Mr. Dilip Kumar Sarawagi, Proprietor of DKS & Co., Practising Company Secretary, as the scrutiniser to conduct the postal ballot through the remote e-voting process in a fair and transparent manner for seeking the approval of shareholders for the item mentioned above.

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

f) **Procedure for Postal ballot:**

In compliance with sections 108 and 110 and other applicable provisions of the Act, read with the related rules framed thereunder and read with related notifications and circulars, the company provided electronic voting (e-voting) facilities to all its members, and for this purpose, the company had engaged M/s. Link Intime India Pvt. Ltd. as the agency to provide e-voting facilities to enable the members to exercise their right to vote on proposed resolutions by electronic means, i.e., remote e-voting services. Postal ballot notices were sent through email to the members, and the company also published a notice in the newspaper declaring the details and requirements as mandated by the Act and the Listing Regulation.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as of the cut-off date, and the shareholders were requested to vote before the close of business hours on the last date of e-voting. The scrutiniser completed his scrutiny and submitted his report to the chairman, and the results of the voting were announced by the company secretary. The results were also displayed on the company website, www.greenpanel.com, besides being communicated to the stock exchanges.

7. MEANS OF COMMUNICATION

a) **Quarterly/Half-yearly/Annual Results:**

The quarterly, half-yearly, or annual financial results of the company are sent to stock exchanges immediately after they are approved by the board of directors. The audited and unaudited financial results have been published in the prescribed format within 48 hours of the conclusion of the respective board meeting in an English newspaper (Financial Express-English daily) circulating the whole or substantially the whole of India and in one vernacular newspaper (Amar Asom/Dainandin Barta-Assamese Daily) of Assam. In addition, these results are simultaneously posted on the company's website.

b) **Website:**

The company's website (www.greenpanel.com) is a comprehensive reference on the company's vision, mission, products, investor relations, feedback, and contact details. In compliance with Regulation 46 of the Listing Regulations, a separate section under "Investor Relations" on the company's website gives information on various announcements made by the company, complete financial details, board of directors' details, policies of the company, quarterly and annual results, shareholding pattern, annual report, information relating to stock exchanges where shares are listed, investor contact details, official news, if any, etc. The presentations made to institutional investors or analysts are also available on the company's website.

8. GENERAL SHAREHOLDERS' INFORMATION:

1.	Date, time, and mode of the Annual General Meeting	June 27, 2023 at 11.00 A.M. through VC and OAVM
2.	Financial Year	Financial year of the company is from April 01 to March 31.
3.	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, 2024: On or before May 30, 2024
4.	Dates of book closure	No such instances to be disclosed
5.	Dividend payment date (Interim Dividend)	23/02/2023
6.	Listing of equity shares at stock exchanges	1. BSE Ltd. (BSE) Floor 25, P. J. Towers Dalal Street, Fort Mumbai - 400001 2. National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex Bandra (E) Mumbai - 400 051
7.	Stock code/symbol	BSE Scrip Code: 542857 NSE Symbol: GREENPANEL
8.	Payment of Listing Fees	Annual listing fees for both the stock exchanges for the financial year 2023-24 has been duly paid by the company.

9. MARKET PRICE DATA FOR EACH MONTH DURING THE FINANCIAL YEAR 2022-23:

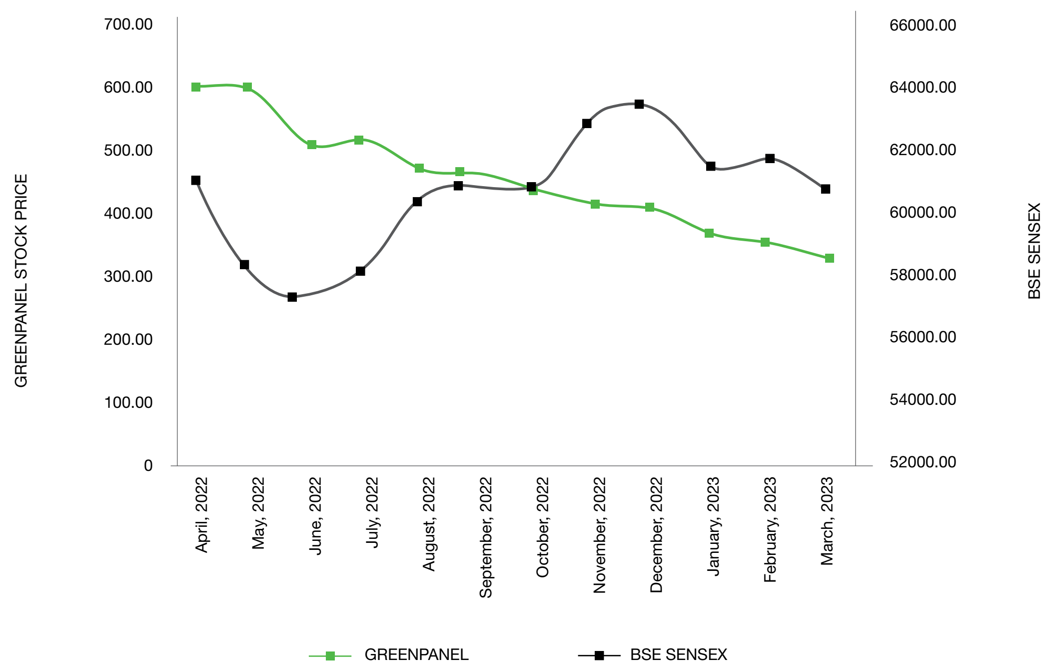
(Amount in ₹.)

Month	At BSE		At NSE	
	High	Low	High	Low
April 2022	625.00	550.70	625.70	550.00
May 2022	617.20	435.65	616.90	435.45
June 2022	515.00	417.00	515.00	420.00
July 2022	522.45	426.20	523.00	426.05
August 2022	465.45	425.60	465.00	425.65
September 2022	458.80	395.00	459.00	382.20
October 2022	427.10	351.20	427.00	351.10
November 2022	401.75	330.50	399.90	330.40
December 2022	391.70	302.85	392.00	305.00
January 2023	344.70	281.70	344.60	280.00
February 2023	327.95	267.00	324.30	266.95
March 2023	299.35	255.00	299.70	255.00

10. E-MAIL ID FOR INVESTORS: investor.relations@greenpanel.com

11. PERFORMANCE IN COMPARISON TO BROAD BASED INDICES SUCH AS BSE SENSEX, CRISIL INDEX ETC. GREENPANEL INDUSTRIES LIMITED SHARE PERFORMANCE:

GREENPANEL HIGH Vs. SENSEX HIGH



12. SUSPENSION OF SECURITIES DURING THE FINANCIAL YEAR 2022-23:

During the financial year 2022-23, the securities of the company were not suspended from trading.

13. REGISTRAR AND SHARE TRANSFER AGENT

The registrar and share transfer agent of the company is changed from M/s. Maheshwari Datamatics Private Limited to M/s. Link Intime India Private Limited, with effect from November 24, 2022. The contact details mentioned below:

Link Intime India Private Limited
C-101, 247 Park
LBS Marg, Vikhroli West
Mumbai – 400083
Contact person – Pradip Bhattacharya
Phone No. (033) 4004 9728 / 4073 1698
E-mail ID: kolkata@linkintime.co.in

14. SHARE TRANSFER SYSTEM:

As per Regulation 40(1) of the Listing Regulations, as amended, physical transfer of shares has been dispensed with, and securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Effective January 24, 2022, SEBI has mandated listed companies to issue shares in demat form only after processing the requests in prescribed form ISR-4 received for issue of duplicate certificates, transmission, transposition, renewal or exchange of share certificates, endorsement, sub-division or splitting of certificates, consolidation of certificates, claims from unclaimed suspense accounts, etc. The registrar and transfer agent will, after processing such requests, issue a letter of confirmation to the concerned shareholder for submission to the depository participant within 120 days from the date of the letter of confirmation for dematerialisation of shares. In case the shareholder fails to submit the demat request within the aforesaid period, the registrar and transfer agent shall credit the shares to the suspense escrow demat account of the company.

In view of this, to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

The company has a committee of the board of directors called the stakeholder relationship committee, which takes necessary steps as per its terms of reference duly approved by the board from time to time.

15. DISTRIBUTION OF EQUITY SHAREHOLDING AS ON MARCH 31, 2023:

Distribution of shareholding by size is as given below:

Range in number of shares held	Number of shareholders	Percentage of Shareholders	Number of shares held	Percentage of shares held
1-500	112981	94.13	7899235	6.44
501-1000	3616	3.01	2595546	2.12
1001-2000	1953	1.63	2775421	2.26
2001-3000	535	0.45	1341605	1.09
3001-4000	226	0.19	791316	0.65
4001-5000	152	0.13	715747	0.58
5001-10000	271	0.23	1944556	1.59
10001-50000	219	0.18	4528546	3.69
50001-100000	29	0.02	2004328	1.63
100001 and above	48	0.04	98031095	79.94
Total	**120030**	**100**	**122627395**	**100**

Distribution of shareholding by category is as given below:

Category of shareholders	Number of shares	Percentage of shares
Promoter and Promoter Group	65110000	53.10
Alternate Investment Funds	499697	0.41
Foreign Portfolio Investor	5433769	4.43
Mutual Funds	25466279	20.77
Bodies Corporate	2437321	1.99
Resident Individuals	22379138	18.25
NBFCs registered with RBI	0	0.00
Clearing Member	25442	0.02
NRI	772141	0.63
Trusts	8414	0.01
Foreign Company	0	0.00
Investor Education and Protection Fund Authority	30185	0.02
Financial Institutions/banks	535	0.00
Insurance Companies	5256	0.00
Foreign National	450872	0.37
Unclaimed Share Suspense Account	8346	0.01
Total	**122627395**	**100.00**

16. DEMATERIALISATION OF SHARES AND LIQUIDITY:

The company's equity shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the company, as allotted by NSDL and CDSL, is INE08ZM01014. Nearly 99.95% of total listed equity shares had been dematerialised as of March 31, 2023.

17. OUTSTANDING ADRS/GDRS/WARRANTS OR ANY OTHER CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY: Nil

18. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The company has significant foreign exchange exposure through imports, exports, and foreign currency loans.

i. Imports are hedged, and exports are partially hedged.

ii. Foreign currency loans at LBBW are partially hedged.

19. CORPORATE IDENTIFICATION NUMBER (CIN):

L20100AS2017PLC018272

20. PLANT LOCATIONS:

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

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

21. ADDRESS FOR CORRESPONDENCE:

i. **Registrar and Share Transfer Agent:**

Link Intime India Private Limited
C-101, 247 Park
LBS Marg, Vikhroli West
Mumbai – 400083
Contact Person: Mr. Pradip Bhattacharya
Email: kolkata@linkintime.co.in

ii. **Company Secretary and Compliance Officer:**

Mr. Lawkush Prasad
Greenpanel Industries Limited
Thapar House, 2nd Floor, 163, S.P. Mukherjee Road, Kolkata – 700 026, India
Phone: (033) 4084-0600
Email: lawkush.prasad@greenpanel.com

iii. **Chief Investor Relations Officer:**

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

iv. **Nodal Officer under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016:**

Mr. Lawkush Prasad
Company Secretary and VP – Legal
Greenpanel Industries Limited
Thapar House, 2nd Floor, 163, S.P. Mukherjee Road, Kolkata – 700 026, India
Phone: 033 4084 0600
Email id: secretarial@greenpanel.com

22. LIST OF ALL CREDIT RATINGS OBTAINED BY THE COMPANY ALONG WITH ANY REVISIONS THERETO, FOR ALL DEBT INSTRUMENTS OF THE COMPANY OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL OF THE COMPANY INVOLVING MOBILISATION OF FUNDS, WHETHER IN INDIA OR ABROAD:

During the financial year 2022–23, the company does not have any debt instruments, any fixed deposit programme, any scheme, or any proposal involving mobilisation of funds in India or abroad.

23. OTHER DISCLOSURES:

a) The company does not have any materially significant related party transactions, that may have a potential conflict with the interests of the company at large. Further, the statutory disclosure requirements relating to related party transactions have been complied with in the financial statements.

b) The financial statements have been made in accordance with the accounting standards to represent a true and fair view of the state of the affairs of the company.

c) Non-compliance, Penalties, Strictures imposed on the company by the stock exchanges i.e., BSE and NSE or Securities and Exchange Board of India or any statutory authority on any matter related to the capital market during the last three years.

   i. The company has received notices of non-compliance with regulation 19(1) of the Listing Regulations demanding a fine of ₹35,400/- each, from National Stock Exchange of India Limited and BSE Limited regarding delay in constitution of nomination and remuneration committee. The delay was 15 days in the reconstitution of the committee due to the resignation of director, Ms. Sushmita Singha. The company has paid the fine amount to both the exchanges and the said committee has also been reconstituted on July 22, 2022.

   ii. The company has received notices under regulation 23(9) of the Listing Regulations demanding a fine of ₹17,700/- from National Stock Exchange of India Limited and BSE Limited regarding delayed-compliance of disclosure of related party transactions on consolidated basis. The company has paid the said fine amount to both the exchanges.

d) The company has in place vigil mechanism/whistle blower policy as required and it is affirmed that no personnel have been denied access to the audit committee.

e) The company has complied with all the mandatory requirements as prescribed in the Listing Regulations and the Act.

f) the policy for determining ‘material’ subsidiaries is also posted on the company’s website and can be accessed at https://www.greenpanel.com/wp-content/uploads/2021/04/Policy-for-determining-Material-Subsidiaries.pdf

g) The related party transaction policy is also posted on the company’s website and can be accessed at https://www.greenpanel.com/wp-content/uploads/2022/07/Related-Party-Transactions-Policy.pdf

h) Disclosure of commodity price risks and commodity hedging activity – N.A.

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

   The company has complied with the discretionary requirements with regard to reporting of internal auditor directly to audit committee, moving towards a regime of unqualified financial statements and unmodified audit opinion and separating the post of chairman and managing director/chief executive officer.

j) In addition to the directors’ report, a management discussion and analysis report will also be sent to the shareholders as a part of the annual report. All key managerial personnel and senior management have confirmed that they do not have any material, financial and commercial interest in transactions with the company that may have a potential conflict with the interest of the company at large.

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

l) In order to prevent misuse of any unpublished price sensitive information (UPSI), maintain confidentiality of all UPSI and prohibit any insider trading activity and abusive self-dealing of securities, in the interest of the shareholders at large, the company has framed a code of conduct to regulate, monitor and report trading in securities of the company and policy and procedures for inquiry in case of leak of unpublished price sensitive information and the same have been approved by the board of directors in their meeting held on June 18, 2020. The said code prohibits the designated persons of the company from dealing in the securities of the company based on any unpublished price sensitive information, available to them by virtue of their position in the company.

m) Further the company has framed a code of practices and procedures for fair disclosure of unpublished price sensitive information and the same is available on the website of the company at https://www.greenpanel.com/wp-content/uploads/2021/04/Policy-for-determination-of-material-disclosure.pdf

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

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

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

p) During the financial year 2022-23, there was no recommendation of any committee of the board of the company which is mandatorily required and has not accepted by the board of the company.

q) During the financial year 2022-23, total fees for all services paid by the company and/or its subsidiaries, on a consolidated basis, to the statutory auditor of the company and all entities in the network firm/network entity of which the statutory auditor is a part is detailed below:

Particulars	Amount (₹)
Statutory Audit Fees	46,60,395
Tax Audit Fees	Nil
Quarterly Limited Review	3,90,000
Fees for other statutory certifications	70,000
Reimbursements of expenses	31,585
Total	51,51,980

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

   The company is committed to providing a healthy and safe working environment for its employees. The company has adopted a ‘Prevention of Sexual Harassment (POSH) at Workplace Policy’ to prohibit or prevent any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The details of the complaint received under the above policy during the Financial Year 2022-23 are as follows.

   i. Number of complaints filed during the financial year: NIL.

   ii. Number of complaints disposed of during the financial year: NIL.

   iii. Number of complaints pending as on end of the financial year: NIL

s) During the year under review, no loans and advances have been given by the company or its subsidiary, in the nature of loans to firms/companies in which directors of the company are interested.

t) The company has no material subsidiary during the year under review.

24. 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.

25. COMPLIANCE CERTIFICATE OF THE AUDITORS:

The statutory auditors have certified that the company has complied with the conditions of corporate governance as stipulated in the Listing Regulations and the same is annexed to this report as "Annexure-C".

26. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:

The disclosure as required to be given under regulation 34(3) read with clause F of schedule V of the Listing Regulations are as follows:

Sl. No.	Particulars	No. of Shareholders	Outstanding Shares
1.	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year	10	8346
2.	Number of shareholders who approached for transfer of shares from Suspense Account during the year	-	-
3.	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year	10	8346

As on March 31, 2023, 8346 equity shares of the company held by 10 shareholders are unclaimed and held in "Greenpanel Industries Limited – Unclaimed Suspense Account" and the voting rights on the same shares shall remain frozen till the rightful owner of the said shares claims such shares.

27. MANAGING DIRECTOR AND CEO AND CFO CERTIFICATION:

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

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Gurgaon
Date: May 6, 2023

Annexure to Corporate Governance Report

ANNEXURE -A

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

To
The Members,
Greenpanel Industries Limited

In accordance with regulation 26(3) read with part D of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the directors and senior management personnel of the company have affirmed compliance with the code of conduct as applicable to them, for the financial year ended March 31, 2023.

Shobhan Mittal
Managing Director and CEO
DIN: 00347517

Place: Gurgaon
Date: May 6, 2023

ANNEXURE -B

Certificate of Non-Disqualification of Directors

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

To
The Members,
Greenpanel Industries Limited
Thapar House, 2nd Floor,
163, S. P. Mukherjee Road
Kolkata – 700 026

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Greenpanel Industries Limited, CIN L20100AS2017PLC018272,** Thapar House, 2nd Floor, 163, S. P. Mukherjee Road, Kolkata – 700 026 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the company and its officers, we hereby certify that none of the directors on the board of the company as stated below for the financial year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority

Serial No.	Name of the Directors	DIN	Date of Appointment
1	Mr. Shiv Prakash Mittal	00237242	13-12-2017
2	Mr. Shobhan Mittal	00347517	13-12-2017
3	Mr. Salil Kumar Bhandari	00017566	06-08-2018
4	Mr. Mahesh Kumar Jiwrajka	07657748	06-08-2018
5	Mr. Arun Kumar Saraf	00087063	14-08-2019
6	Ms. Shivpriya Nanda	01313356	06-07-2018

Ms. Sushmita Singha (DIN:02284266) has resigned from the board of the company with effect from April 7, 2022

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

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

Binita Pandey - Partner
ACS: 41594, CP: 19730
UDIN: A041594E000233269

Place: Kolkata
Date: May 1, 2023

ANNEXURE -C

Auditor's certificate on Corporate Governance

To
The Members of
Greenpanel Industries Limited

We have examined the compliance of conditions of corporate governance by Greenpanel Industries Limited (CIN: L20100AS2017PLC018272) ("the Company"), as stipulated under regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended March 31, 2023.

MANAGEMENT'S RESPONSIBILITY FOR COMPLIANCE WITH THE CONDITIONS OF LISTING REGULATIONS

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof adopted by the company for ensuring compliance of the conditions of corporate governance as stipulated in the said Regulations. This certificate is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

AUDITORS' RESPONSIBILITY

We conducted our examination in accordance with the guidance note on reports or certificates for special purposes issued by the Institute of Chartered Accountants of India. The guidance note requires that we comply with the ethical requirements of the code of ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the standard on quality control (SQC) 1, quality control for firms that perform audits and reviews of historical financial information, and other assurance and related services engagements.

OPINION

In our opinion, and to the best of our information and according to explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the SEBI Listing Regulations for the financial year ended March 31, 2023.

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.

EMPHASIS ON MATTER

We draw attention to other disclosures of the corporate governance report relating to non-compliance of regulation 19(1) of Listing Regulation towards regarding delay in constitution of nomination and remuneration committee as explained in the said note. On July 22, 2022 the company has taken corrective action to comply with the said regulation 19(1). Our opinion is not modified in respect of this matter.

RESTRICTION ON USE

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

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

Sunil Wahal
Partner
Membership No. 087294
UDIN: 23087294BGTGTH7113

Place: New Delhi
Date: May 06, 2023

ANNEXURE -D

Certification by Chief Executive Officer and Chief Financial Officer

Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Greenpanel Industries Limited

a) We have reviewed the financial statements and the cash flow statement for the financial year ended on March 31, 2023 and that to the best of our knowledge and belief:
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.

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

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

d) We have indicated to the auditors and the audit committee that there are no:
   i. Significant changes in internal control over financial reporting during the year.
   ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
   iii. Instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Shobhan Mittal
Managing Director and CEO
DIN: 00347517

Vishwanathan Venkatramani
Chief Financial Officer

Place: Gurgaon
Date: May 6, 2023

Independent Auditors' Report

To the Members of
Greenpanel Industries Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of Greenpanel Industries Limited ("the Company"), which comprise the balance sheet as at March 31 2023, the statement of profit and loss, including the statement of other comprehensive income, the statement of cash flow and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included the returns for the year ended on that date audited by the branch auditor of the Company's branch located at Singapore (hereinafter referred to as the "Standalone Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate financial statements and on the other financial information of the branch, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules 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 audit opinion on the Standalone Financial Statements.

EMPHASIS OF MATTER

We draw attention to Note no: 15 to the Standalone Financial Statement, on the basis of legal opinion the Company has not accounted for some of the Government subsidies as mentioned in the said note. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Revenue recognition on sale of goods and impairment loss allowance on trade receivables</td></tr>
<tr><td>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</td><td>Our audit procedures included, amongst others:

a) We read and evaluated the Company's policies for revenue recognition and impairment loss allowance and assessed its compliance with Ind AS 115 – Revenue From Contracts With Customers' and Ind AS 109 'Financial Instruments', respectively.

b) We assessed the design and tested the operating effectiveness of internal controls related to sales including variable consideration and impairment loss allowance on trade receivables.

c) We performed the following tests for a sample of transactions relating to variable consideration:
• Read the terms of contract including rebates and discounts schemes as approved by authorized personnel.
• Evaluated the assumptions used in estimation of variable consideration by comparing with the past trends and understand the reasons for deviation.
• Performed retrospective review to identify and evaluate variances.

d) We evaluated management's assessment of the assumptions used in the calculation of impairment loss allowance on trade receivables, including consideration of the current and estimated future uncertain economic conditions.

e) For sample customers, we tested past collection history, customer's credit assessment and probability of default assessment performed by the management.

f) We tested the mathematical accuracy and computation of the allowances.

g) We read and assessed the relevant disclosures made within the standalone financial statements.</td></tr>
</table>

INFORMATION OTHER THAN THE STANDALONE 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 Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' 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. When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant Rules issued thereunder.

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 for the financial year ended March 31, 2023, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

These Standalone Financial Statements includes the audited financial statements/financial information, in respect of one branch office situated outside India, whose financial statements include total assets of ₹849.47 lakh as at March 31, 2023, total revenues of ₹ Nil, total net loss after tax of ₹1101.47 lakh, total comprehensive loss of ₹1101.47 lakh for the year ended, as considered in the standalone financial statements, which have been audited by their independent auditor. The Company's management has converted the financial statements of such branch located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. The independent auditor's report on the financial statements of this branch has been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of this branch is based solely on the report of such auditor. Our opinion is not modified in respect of this matter.

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 section 143(11) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements /financial information of the branch, as noted in the 'Other Matter' paragraph, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

   (c) The report on the accounts of the branch office of the Company audited by branch auditor have been sent to us and have been properly dealt with by us in preparing this report.

   (d) The balance sheet, the statement of profit and loss including the statement of other comprehensive income, the statement of cash flow and statement of changes in equity dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us;

   (e) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant Rules issued thereunder;

   (f) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) With respect to the adequacy of the internal financial controls with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this Report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2023, has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 37 to the Standalone Financial Statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements, no funds have been received by the Company from any person or entity, 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 such audit procedures that were 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 misstatement.

v. The interim dividend declared and paid during the year by the Company is in compliance with section 123 of the Act.

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 with effect from 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.

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

Sunil Wahal
Partner
Membership No. 087294
UDIN: 23087294BGTGTF6373

Place: New Delhi
Date: May 06, 2023

Annexure A

to the Independent Auditor's Report to the Members of Greenpanel Industries Limited dated May 06, 2023.

REPORT ON THE MATTERS SPECIFIED IN PARAGRAPH 3 OF THE COMPANIES (AUDITOR'S REPORT) ORDER, 2020 ("THE ORDER') ISSUED BY THE CENTRAL GOVERNMENT OF INDIA IN TERMS OF SECTION 143(11) OF THE COMPANIES ACT, 2013 ("THE ACT") AS REFERRED TO IN PARAGRAPH 1 OF 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION.

i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) The property, plant and equipment have been physically verified by the management during the year, the frequency of which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies if any of 10% or more in aggregate, if any, for each class of inventory were noticed on such physical verification and have been properly dealt with in the books of account.

ii. (b) As disclosed in Note 49 to the Standalone Financial Statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details are as follows;

₹ in lakhs

Quarter ending	Value per books of account	Value per quarterly return/statement	Discrepancy (give details)
For each class of current asset			
June 30, 2022	6,259.49	16,666.93	(10,407.44)
September 30, 2022	10,743.63	19,654.68	(8,911.05)
December 31, 2022	9,639.27	18,396.34	(8,757.07)
March 31, 2023	8,587.78	14,517.29	(5,929.51)

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii) of the Order is not applicable to the Company.

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

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder.

Annexure A

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

vii. a. The Company is regular in depositing with appropriate authorities 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 other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

b. There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute except the following:

Name of the statute	Nature of dues	Amount in ₹ lakhs	Period for which the amount relates	Forum where dispute is pending
Finance Act, 1994	Denial of refund of service tax refund on timber transportation	630.66	August 2013 to May 2014	CESTAT, New Delhi
Custom Act, 1962	Disallowance of benefits under SHIS license	391.92	July 2013 to December 2014	CESTAT, Kolkata

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company doesn't have any associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud/ material fraud by the Company or no fraud /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 Act, has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xiii)(c) of the Order are not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Standalone Financial Statements, as required by the applicable accounting standards.

xiv (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred in section 192 of the Act.

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

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company

(d) The Group has one Core Investment Company as part of the Group.

xvii. The Company has not incurred cash losses in the current financial year and the previous year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix On the basis of the financial ratios disclosed in note 47 to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, 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 not 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 (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 33(ii) to the financial statements.

(b) All amounts that are unspent under section (5) of section 135 of the Act, pursuant to any ongoing project, has been transferred to special account in compliance with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in Note 33(ii) to the financial statements.

xxi. The Companies (Auditors Report) Order (CARO) reports is not applicable to Company's foreign subsidiary Greenpanel Singapore Pte Ltd. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

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

Sunil Wahal
Partner
Membership No. 087294
UDIN: 23087294BGTGTF6373

Place: New Delhi
Date: May 06, 2023

Annexure B

to the Independent Auditor's Report to the Members of Greenpanel Industries Limited dated May 06, 2023.

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT AS REFERRED TO IN PARAGRAPH 2(G) OF 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION

We have audited the internal financial controls over financial reporting of the Greenpanel Industries Limited (the 'Company') as of March 31, 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". 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 Act.

AUDITORS' RESPONSIBILITY

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

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

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

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone 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 Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm's Registration No. 000756N

Sunil Wahal
Partner
Membership No. 087294
UDIN: 23087294BGTGTF6373

Place: New Delhi
Date: May 06, 2023

Standalone Balance Sheet

as at 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	Note	31 March 2023	31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	4	94,533.84	98,880.18
Capital work-in-progress	5	488.74	-
Other intangible assets	6	33.99	19.35
Right of use assets	38	4,593.55	2,035.92
Financial assets			
Investments	7	2,205.85	5,244.62
Other financial assets	15	2,115.05	1,662.33
Other non-current assets	14	5,290.33	93.65
Total non-current assets		**1,09,261.35**	**1,07,936.05**
Current assets			
Inventories	10	15,253.48	16,581.57
Financial assets			
Trade receivables	11	4,439.73	4,144.32
Cash and cash equivalents	12	1,103.02	5,603.76
Other bank balances	13	34,478.42	16,523.23
Loans	8	50.00	72.16
Derivatives	23	60.52	-
Other financial assets	15	3,559.23	3,645.86
Other current assets	16	2,249.17	1,910.78
Total current assets		**61,193.57**	**48,481.68**
Total assets		**1,70,454.92**	**1,56,417.73**
Equity and liabilities			
Equity			
Equity share capital	17	1,226.27	1,226.27
Other equity	18	1,18,908.76	97,488.39
Total equity		**1,20,135.03**	**98,714.66**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	12,707.86	16,503.11
Lease liabilities	38	3,035.10	676.11
Other financial liabilities	20	668.74	858.34
Provisions	21	1,088.68	1,109.65
Deferred tax liabilities (net)	35	9,431.18	6,824.23
Total non-current liabilities		**26,931.56**	**25,971.44**
Current liabilities			
Financial liabilities			
Borrowings	19	6,335.07	11,741.57
Lease liabilities	38	684.87	259.70
Trade payables			
total outstanding dues of micro enterprises and small enterprises	22	268.50	60.98
total outstanding dues of creditors other than micro enterprises and small enterprises	22	10,836.93	14,728.78
Derivatives	23	-	35.77
Other financial liabilities	20	1,699.14	2,138.83
Other current liabilities	24	3,288.37	2,289.04
Provisions	21	171.17	304.12
Current tax liabilities (net)	9	104.28	172.84
Total current liabilities		**23,388.33**	**31,731.63**
Total liabilities		**50,319.89**	**57,703.07**
Total equity and liabilities		**1,70,454.92**	**1,56,417.73**
Significant accounting policies	3		
The accompanying notes form an integral part of these standalone financial statements			

As per our report of even date attached

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number.: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

Vishwanathan Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & VP-Legal

Place : Gurgaon
Dated : 6 May 2023

Place : Gurgaon
Dated : 6 May 2023

Standalone Statement of Profit and Loss

for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	Note	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations	25	1,78,285.99	1,62,443.27
Other income	26	1,819.00	823.76
Total income		**1,80,104.99**	**1,63,267.03**
Expenses			
Cost of materials consumed	27	73,668.67	66,058.84
Purchase of stock in trade	28	1,468.08	1,079.07
Changes in inventories of finished goods, work-in-progress and stock in trade	29	(558.11)	(106.42)
Employees benefits expense	30	13,658.27	12,290.32
Finance costs	31	1,868.42	1,646.15
Depreciation and amortisation expense	32	6,898.22	6,799.38
Other expenses	33	48,997.01	41,316.25
Total expenses		**1,46,000.56**	**1,29,083.59**
Profit before exceptional items and tax		**34,104.43**	**34,183.44**
Exceptional items	34	(2,428.70)	-
Profit before tax		**31,675.73**	**34,183.44**
Current tax		(6,141.49)	(5,901.97)
Earlier years tax		(19.76)	(69.39)
Deferred tax		(2,518.30)	(4,875.67)
Tax expense	35	**(8,679.55)**	**(10,847.03)**
Profit for the year after tax		**22,996.18**	**23,336.41**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit (liability)/asset		352.25	(196.73)
Income tax relating to items that will not be reclassified to profit or loss		(88.65)	68.75
Net other comprehensive income not to be reclassified subsequently to profit or loss		**263.60**	**(127.98)**
Total comprehensive income for the year		**23,259.78**	**23,208.43**
Earnings per equity share [Face value of equity share ₹1 each]	36		
- Basic (₹)		**18.75**	**19.03**
- Diluted (₹)		**18.75**	**19.03**
Significant accounting policies	3		
The accompanying notes form an integral part of these standalone financial statements			

As per our report of even date attached

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number.: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

Vishwanathan Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & VP-Legal

Place : Gurgaon
Dated : 6 May 2023

Place : Gurgaon
Dated : 6 May 2023

Standalone Statement of Changes in Equity

for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

A) EQUITY SHARE CAPITAL

Particulars	Note	Amount
Balance as at 1 April 2021		1,226.27
Issue of equity share capital during the year		-
Balance as at 31 March 2022		**1,226.27**
Issue of equity share capital during the year		-
Balance as at 31 March 2023	17	1,226.27

B) OTHER EQUITY

Particulars	Note	Reserves and surplus		Total
		Capital reserve	Retained earnings	
Balance as at 1 April 2021		62,380.34	13,739.03	76,119.37
Total comprehensive income for the year ended 31 March 2022				
Profit for the year		-	23,336.41	23,336.41
Other comprehensive income/(loss) (net of tax)		-	(127.98)	(127.98)
Total comprehensive income		**-**	**23,208.43**	**23,208.43**
Dividend paid (Refer note 48)		-	(1,839.41)	(1,839.41)
Balance as at 31 March 2022		62,380.34	35,108.05	97,488.39
Balance as at 1 April 2022		**62,380.34**	**35,108.05**	**97,488.39**
Total comprehensive income for the year ended 31 March 2023				
Profit for the year		-	22,996.18	22,996.18
Other comprehensive income/(loss) (net of tax)		-	263.60	263.60
Total comprehensive income		**-**	**23,259.78**	**23,259.78**
Dividend paid (Refer note 48)		-	(1,839.41)	(1,839.41)
Balance as at 31 March 2023	18	**62,380.34**	**56,528.42**	**1,18,908.76**
Significant accounting policies	3			
The accompanying notes form an integral part of these standalone financial statements				

As per our report of even date attached

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number.: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

Vishwanathan Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & VP-Legal

Place : Gurgaon
Dated : 6 May 2023

Place : Gurgaon
Dated : 6 May 2023

Standalone Statement of Cash Flows

for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	Year ended 31 March 2023	Year ended 31 March 2022
A. Cash flows from operating activities		
Profit before tax	31,675.73	34,183.44
Adjustments for:		
Depreciation and amortisation expense	6,898.22	6,799.38
Finance costs	1,868.42	1,646.15
Write back of liability no longer required	(1,083.75)	-
Provision against impairment of investment	3,038.77	-
Provision for doubtful debts	83.72	37.95
Loss on sale/discard of property, plant and equipment	592.76	283.75
Interest income	(1,645.09)	(481.45)
Gain on lease termination	(49.73)	-
Unrealised foreign exchange fluctuations (net)	370.71	(2,082.17)
Government grants - EPCG scheme	-	(3,379.73)
	10,074.03	**2,823.88**
Operating cash flows before working capital changes	41,749.76	37,007.32
Working capital adjustments:		
(Increase)/decrease in trade and other receivables	(680.23)	3,386.65
(Increase)/decrease in inventories	1,328.09	(1,645.77)
Increase/(decrease) in trade and other payables	(2,243.97)	3,075.51
	(1,596.11)	**4,816.39**
Cash generated from operating activities	40,153.65	41,823.71
Income tax paid (net)	(6,229.81)	(5,804.63)
Net cash generated from operating activities	**33,923.84**	**36,019.08**
B. Cash flows from investing activities		
Payment for property, plant and equipment (Refer note ii below)	(8,855.28)	(3,448.45)
Proceeds from sale of property, plant and equipment	249.96	72.36
Proceeds/(Investment) in fixed deposits with banks (net)	(17,953.19)	(10,578.72)
Interest received	1,198.88	301.90
Net cash used in investing activities	**(25,359.63)**	**(13,652.91)**
C. Cash flows from financing activities		
Proceeds/(Repayment) from short term borrowings (net)	(5,720.58)	5,608.23
Repayment of long term borrowings	(4,281.51)	(20,310.33)
Interest paid	(843.21)	(1,145.61)
Dividend paid	(1,839.41)	(1,839.41)
Payment of lease liabilities	(225.04)	(246.80)
Interest paid on lease liabilities	(155.20)	(94.98)
Net cash flow used in financing activities	**(13,064.95)**	**(18,028.89)**
Net (decrease)/increase in cash and cash equivalents	**(4,500.74)**	**4,337.28**
Cash and cash equivalents at 1 April 2022 (refer note 12)	5,603.76	1,266.48
Cash and cash equivalents at 31 March 2023 (refer note 12)	**1,103.02**	**5,603.76**

Notes:

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

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

(iii) Change in liabilities arising from financing activities:

Standalone Statement of Cash Flows

for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

₹ in lakhs

Particulars	As on 31 March 2022	Cash flows	Foreign Exchange Differences	As on 31 March 2023
Non-current borrowings including current maturities (Note 19)	21,037.64	(4,281.51)	800.34	17,556.47
Current Borrowings (Note 19)	7,207.04	(5,720.58)	-	1,486.46

₹ in lakhs

Particulars	As on 31 March 2021	Cash flows	Foreign Exchange Differences	As on 31 March 2022
Non-current borrowings including current maturities (Note 19)	43,089.10	(20,310.33)	(1,741.13)	21,037.64
Current Borrowings (Note 19)	1,598.81	5,608.23	-	7,207.04

As per our report of even date attached

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number.: 000756N

Sunil Wahal
Partner
Membership No: 087294

Place : Gurgaon
Dated : 6 May 2023

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

Vishwanathan Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & VP-Legal

Place : Gurgaon
Dated : 6 May 2023

Notes

to the standalone financial statements for the year ended 31 March 2023

1. CORPORATE INFORMATION

Greenpanel Industries Limited (the 'Company') is a public listed company domiciled in India having its registered office situated at 'Thapar House', 2nd Floor, 163 S.P. Mukherjee Road, Kolkata-700026, India. The Company has been incorporated under the provisions of the Companies Act, 1956 and its equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company is primarily involved in manufacturing of plywood, medium density fibre board (MDF) and allied products. During the year Company has incorporated a branch at Singapore under the same trade name for marketing of its products in overseas market. The Company has an overseas wholly owned subsidiary company namely Greenpanel Singapore Pte. Limited, incorporated in Singapore, is engaged into marketing of Medium Density Fibreboards and allied products. This Subsidiary has ceased its operations with effect from October 2022.

2. BASIS OF PREPARATION

a. Statement of compliance

These standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended, notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

These standalone financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 6 May 2023.

The details of the Company's accounting policies are included in note 3.

b. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

c. Basis of measurement

The standalone financial statements have been prepared on historical cost basis, except for the following items:

Items	Measurement
Derivative financial instruments	Fair value
Net defined benefit (asset)/liability	Present value of defined benefit obligations

d. Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the note on lease classification.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the standalone financial statements for the every period ended is included in the following notes:

- Note 4 – useful life and residual value of property, plant and equipment;
- Note 31 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 35 – recognition of deferred tax assets;
- Note 37 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 42 – impairment of financial assets: key assumptions used in estimating recoverable cash flows.

e. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation

Notes
to the standalone financial statements for the year ended 31 March 2023

adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's audit committee."

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in note 41."

3. SIGNIFICANT ACCOUNTING POLICIES

a. Current and non-current classification

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) it is expected to be realised in, or is intended for sale or consumption in the Company's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is expected to be realised within 12 months after the reporting date; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(i) it is expected to be settled in the Company's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is due to be settled within 12 months after the reporting date; or

(iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Notes
to the standalone financial statements for the year ended 31 March 2023

b. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in the Statement of Profit and Loss in the period in which they arise.

c. Financial instruments

(i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Trade receivables are initially measured at transaction price.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue, for an item not at fair value through profit and loss (FVTPL)"

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at:

- Amortised cost; or
- Fair value through Profit or Loss (FVTPL); or
- Fair value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The effective interest rate (EIR) method of amortisation is included in finance income in the Statement of Profit and Loss. This category generally applies to long-term deposits and long-term trade receivables.

Financial assets at FVTPL

All financial assets which are not classified and measured at amortised cost or Fair value through other comprehensive income (FVOCI) as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI).

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;

Notes

to the standalone financial statements for the year ended 31 March 2023

- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Investments in subsidiaries are carried at cost in standalone financial statements

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss. Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Financial guarantee liabilities

Financial guarantees issued by the Company are those contracts that require payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset:

- when the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Notes

to the standalone financial statements for the year ended 31 March 2023

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Company holds derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

d. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss. Property, plant and equipment under construction are disclosed as Capital work-in-progress. Assets retired from active use and held for disposal are stated at the lower of their net book value and fair value less cost to sell and shown under 'Current assets'.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation and amortisation

Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method over the useful lives of assets, in the manner specified in Part C of Schedule II of the Act.

Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful life unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Freehold land is not depreciated.

Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease, except leasehold land acquired on perpetual lease.

Notes

to the standalone financial statements for the year ended 31 March 2023

The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful life as per Schedule II
Buildings	3 to 60 years
Plant and equipments	15 to 25 years
Furniture and fixtures	10 years
Vehicles	8 to 10 years
Office equipments	3 to 10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Depreciation on additions (discard/disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (discarded/disposed off).

e. Intangible assets

(i) Recognition and measurement

Intangible assets are initially measured at cost and subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

Computer software - 5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, packing materials, stores and spares are measured at the lower of cost and net realisable value.

The cost of inventories is ascertained on the 'weighted average' basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

g. Impairment

(i) Impairment of financial instruments: financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime of the ECL. For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of the ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in Statement of Profit and Loss.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including subsequent information. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g. corporate office for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h. Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets,

Notes

to the standalone financial statements for the year ended 31 March 2023

which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

i. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into Employees' Provident Fund established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions under employee provident fund to Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed quarterly by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements. The Company recognises all actuarial gains and losses arising from defined benefit plan immediately in the Statement of Profit and Loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Such benefits are in form of leave encashment that accrue to employees in return of their service. The calculation of other long term employee benefits is performed quarterly by an independent qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

Notes

to the standalone financial statements for the year ended 31 March 2023

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

j. Provisions and Contingent liabilities, Contingent assets

(i) Provision: A provision is recognized when the Company has a present obligation (legal or constructive) as a result of 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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the assage of time is recognized as a finance cost.

(ii) Contingent liabilities: A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

(iii) Contingent assets: Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date."

k. Revenue

(i) Sale of goods

The Company follows Ind AS 115 "Revenue from Contracts with Customers".

The Company manufactures and sells in plywood and allied products, medium density fibreboard and allied products. Sales are recognised when control of the products has transferred, being when the products are delivered to the dealer, the dealer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the dealer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have been transferred to the dealer, and either the dealer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The products are often sold with volume discounts based on aggregate sales over a 12 months period, cash discount on payment within specified period, promotional gift on achieving specific targets, quality claims if claims made in the specified period and other promotional expenses such as tours and travel packages to dealer, etc. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts, cash discounts, quality claims and promotional expenses. Accumulated experience is used to estimate and provide for the discounts/claims/provisions, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (netted off with trade receivables) is recognised for expected volume discount payables, expected cash discount payables and expected quality claims to dealers in relation to sale made until the end of reporting period. Provision (included in other current liabilities) is recognised for expected sales promotional expenses against the sales made until the end of reporting period. No element of financing is deemed present as the sales are made with a credit term of 30-90 days, which is consistent with market practice.

(ii) Rental income

Rental income is recognised as part of other income on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

(iii) Insurance claim

Insurance claim due to uncertainty in realisation are accounted for on acceptance basis.

l. Government Grants

Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached thereto.

Notes

to the standalone financial statements for the year ended 31 March 2023

Government grants related to revenue are recognised in the Statement of Profit and Loss on a systematic and rational basis in the periods in which the Company recognises the related costs for which the grants are intended to compensate and are netted off with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Income".

Government grants relating to property, plant and equipment are treated as deferred income and are credited to the statement of profit and loss on a systematic basis over the expected useful life of the related asset to match them with the costs for which they are intended to compensate and presented within other income.

m. Leases

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

(ii) Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

The Company has adopted Ind AS 116, Leases from 1 April 2019. Ind AS 116 is a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has recognised new assets and liabilities for its operating leases of land and office premises facilities. The nature of expenses related to those leases has now changed because the Company has recognised a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

(iii) Lease payments

Payments made under operating leases are generally recognised in Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Notes

to the standalone financial statements for the year ended 31 March 2023

n. Recognition of dividend income, interest income or expense

Dividend income is recognised in Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

o. Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (tax base). Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Notes

to the standalone financial statements for the year ended 31 March 2023

In case of tax payable as Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961, the credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

p. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

q. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

r. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company.

s. Cash and cash equivalents

Cash and cash equivalents include cash and cash-on-deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

t. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

u. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

v. Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The CODM consists of the Executive Chairman, Managing Director & CEO and Chief Financial Officer.

The Company has currently two reportable segments namely:

i) Plywood and allied products

ii) Medium density fibreboards and allied products

w. Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Notes

to the standalone financial statements for the year ended 31 March 2023

(i) Non-derivative financial assets

Non-derivative financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL. Investments in quoted equity instruments are measured at FVTPL.

(ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iii) Derivative financial liabilities

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

(iv) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

x. Accounting Standard not yet effective

Recent pronouncements Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company does not expect this amendment to have any significant impact in its financial statements.

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

4. PROPERTY, PLANT AND EQUIPMENT

(a) Reconciliation of carrying amount

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost (Gross carrying amount)							
Balance at 1 April 2021	5,535.46	13,255.31	1,14,296.77	2,930.76	1,799.55	1,343.20	1,39,161.05
Additions	1.86	307.62	3,286.30	50.18	59.71	83.07	3,788.74
Disposals/ discard	-	(2.79)	(1,251.03)	(16.44)	(73.60)	(5.07)	(1,348.93)
Balance at 31 March 2022	**5,537.32**	**13,560.14**	**1,16,332.04**	**2,964.50**	**1,785.66**	**1,421.20**	**1,41,600.86**
Balance at 1 April 2022	5,537.32	13,560.14	1,16,332.04	2,964.50	1,785.66	1,421.20	1,41,600.86
Additions	-	175.15	1,022.14	227.85	1,296.83	162.35	2,884.32
Disposals/ discard	(1.13)	(738.59)	(1,629.71)	(110.79)	(545.21)	(207.80)	(3,233.23)
Balance at 31 March 2023	**5,536.19**	**12,996.70**	**1,15,724.47**	**3,081.56**	**2,537.28**	**1,375.75**	**1,41,251.95**
Accumulated depreciation							
Balance at 1 April 2021	-	3,400.51	31,096.01	1,030.52	963.79	804.26	37,295.09
Depreciation for the year	-	596.32	5,210.09	274.24	183.02	155.56	6,419.23
Adjustments/ disposals	-	(2.65)	(927.50)	(4.53)	(55.17)	(3.79)	(993.64)
Balance at 31 March 2022	**-**	**3,994.18**	**35,378.60**	**1,300.23**	**1,091.64**	**956.03**	**42,720.68**
Balance at 1 April 2022	-	3,994.18	35,378.60	1,300.23	1,091.64	956.03	42,720.68
Depreciation for the year	-	631.52	5,098.59	283.97	220.07	153.79	6,387.94
Adjustments/ disposals	-	(695.44)	(997.72)	(94.62)	(407.77)	(194.96)	(2,390.51)
Balance at 31 March 2023	**-**	**3,930.26**	**39,479.47**	**1,489.58**	**903.94**	**914.86**	**46,718.11**
Carrying amounts (net)							
At 31 March 2022	5,537.32	9,565.96	80,953.44	1,664.27	694.02	465.17	98,880.18
At 31 March 2023	**5,536.19**	**9,066.44**	**76,245.00**	**1,591.98**	**1,633.34**	**460.89**	**94,533.84**

(b) Security

As at 31 March 2023, property, plant and equipment with a carrying amount of **₹94,322.97 lakhs** (31 March 2022: ₹98,664.75 lakhs) are subject to first charge to secured borrowings (see Note 19).

5. CAPITAL WORK-IN-PROGRESS

	As at 31 March 2023	As at 31 March 2022
At the beginning of the year	-	358.40
Additions during the year	1,667.48	2,844.82
Capitalised during the year	1,178.74	3,203.22
At the end of the year	**488.74**	**-**
Capital work-in-progress includes:		
Expenditure incurred during construction period on new manufacturing facility of the Company:		
At the beginning of the year	-	-
Additions during the year:		
Insurance Expenses	56.90	-
Legal and professional fees	54.28	-
Finance costs	27.37	-
	138.55	**-**
Less: Capitalised during the year	-	-
At the end of the year	**138.55**	**-**

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Ageing Schedule	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at 31 March 2023					
Projects in progress	**488.74**	-	-	-	**488.74**
As at 31 March 2022					
Projects in progress	-	-	-	-	-

Notes:

(a) As at 31 March 2023, general borrowing costs capitalised during the year amounted to ₹ **Nil** (31 March 2022: ₹ Nil)

(b) As at 31 March 2023, property, plant and equipment under capital work-in-progress with a carrying amount of **₹488.74** lakhs (31 March 2022: ₹ Nil) are subject to first charge to secured borrowings (see Note 19).

(c) There is no capital work-in-progress whose completion is overdue as on relevant reporting period.

6. OTHER INTANGIBLE ASSETS

(a) Reconciliation of carrying amount

	Software
Cost (Gross carrying amount)	
Balance at 1 April 2021	51.75
Additions	11.76
Disposals/write-off	(11.49)
Balance at 31 March 2022	**52.02**
Balance at 1 April 2022	52.02
Additions	23.62
Disposals/write-off	(30.26)
Balance at 31 March 2023	**45.38**
Accumulated amortisation	
Balance at 1 April 2021	34.27
Amortisation for the year	9.07
Adjustments/ disposals	(10.67)
Balance at 31 March 2022	**32.67**
Balance at 1 April 2022	32.67
Amortisation for the year	8.98
Adjustments/ disposals	(30.26)
Balance at 31 March 2023	**11.39**
Carrying amounts (net)	
At 31 March 2022	19.35
At 31 March 2023	**33.99**

7. INVESTMENTS

	As at 31 March 2023	As at 31 March 2022
Non-current investments		
Unquoted		
Equity instruments in subsidiaries carried at cost less impairment		
77,50,000 (31 March 2022: 77,50,000) equity shares of Greenpanel Singapore Pte. Ltd. (face value USD 1 each, fully paid-up)		
Gross value of investments	5,244.62	5,244.62
Less: Impairment of investments (Refer note 34)	(3,038.77)	-
Net Value of Investments	**2,205.85**	**5,244.62**
Aggregate book value of unquoted investments	2,205.85	5,244.62

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

8. LOANS

	As at 31 March 2023	As at 31 March 2022
(Unsecured, considered good)		
Current		
Loan to employees	50.00	72.16

9. CURRENT TAX LIABILITIES

	As at 31 March 2023	As at 31 March 2022
Income tax liabilities (net of advance tax)	104.28	172.84

10. INVENTORIES

	As at 31 March 2023	As at 31 March 2022
(Valued at the lower of cost and net realisable value)		
Raw materials	3,475.48	7,459.85
Work-in-progress	1,311.72	2,126.24
Finished goods	5,343.50	3,997.28
[including in transit **₹1,928.48 lakhs** (31 March 2022 ₹1,949.40 lakhs)]		
Stock in trade	58.41	32.00
Stores and spares	5,064.37	2,966.20
[including in transit **₹255.43 lakhs** (31 March 2022 ₹ Nil)]		
	15,253.48	**16,581.57**

Total carrying amount of inventories is pledged as securities against borrowings, refer note 19.

The write-down of inventories to net realisable value during the year amounting to ₹ **Nil** (31 March 2022: ₹ Nil).

11. TRADE RECEIVABLES

	As at 31 March 2023	As at 31 March 2022
Current		
Unsecured		
- Considered good	4,439.73	4,144.32
- Credit Impaired	277.41	193.69
	4,717.14	**4,338.01**
Less: Loss for allowances		
- Credit Impaired	(277.41)	(193.69)
Net trade receivables	**4,439.73**	**4,144.32**
Of the above		
Trade receivables from related parties (Refer Note 39)	6.81	28.12

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Ageing Schedule	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at 31 March 2023							
Undisputed trade receivables (considered good)	3,448.29	1,177.96	45.57	27.11	8.13	10.08	4,717.14
Expected credit loss (Provision for doubtful debts)	(45.63)	(140.89)	(45.57)	(27.11)	(8.13)	(10.08)	(277.41)
Carrying amount (net of impairment)	**3,402.66**	**1,037.07**	-	-	-	-	**4,439.73**
As at 31 March 2022							
Undisputed trade receivables (considered good)	3,287.93	963.20	44.89	21.74	9.03	11.22	4,338.01
Expected credit loss (Provision for doubtful debts)	(32.09)	(74.72)	(44.89)	(21.74)	(9.03)	(11.22)	(193.69)
Carrying amount (net of impairment)	**3,255.84**	**888.48**	-	-	-	-	**4,144.32**

Notes:

(a) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies in which any director is a partner, a director or a member, except as mentioned above.

(b) Information about the Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 42. Provision as disclosed above is on case to case basis as identified by the management.

(c) For terms and conditions of trade receivables owing from related parties, see note 39.

(d) For receivables secured against borrowings, see note 19.

12. CASH AND CASH EQUIVALENTS

	As at 31 March 2023	As at 31 March 2022
Cash on hand	4.22	18.52
Balances with banks		
- On current accounts	1,098.80	972.41
- On deposit accounts (with original maturities up to 3 months)	-	4,612.83
	1,103.02	**5,603.76**

13. OTHER BANK BALANCES

	As at 31 March 2023	As at 31 March 2022
Bank deposits due to mature after 3 months of original maturities but within 12 months of the reporting date*	34,475.85	16,522.66
Earmarked balances with banks for unpaid dividend accounts	2.57	0.57
	34,478.42	**16,523.23**

*a) Pledged/lodged with various government authorities as security [**₹55.44 lakhs** (31 March 2022 ₹52.76 lakhs)].

b) Fixed deposit of **₹3,347.93 lakhs** (31 March 2022 ₹3,200 lakhs) in the form of Debt Service Reserve Account (DSRA) pledged in favour of LBBW Bank (refer note 19).

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

14. OTHER NON-CURRENT ASSETS

	As at 31 March 2023	As at 31 March 2022
(Unsecured, considered good)		
Capital advances*	5,256.83	52.80
Others		
Unmatured finance charges	-	4.19
Deposits against demand under appeal and/or under dispute	33.50	36.66
	5,290.33	**93.65**

*New MDF plant at existing manufacturing unit in Chittoor, Andhra Pradesh, India with an additional installed capacity of 2,31,000 CBM per annum had been approved by the Board of Directors. The additional capacity will increase MDF production capacity of the company from 6,60,000 CBM per annum to 8,91,000 CBM per annum, an increase of 35% over existing capacity. The estimated project cost is ₹600 crores (Rupees Six hundred crores) which shall be funded by a mix of internal accruals and debt. The commercial production of the plant is expected to begin during Q1FY2025. Contracts with the principal Process Equipment Suppliers and contract for the Engineering Consultancy Services have been signed off. Civil work of the said project has begun. Advance payments to the vendors for the project have been made to the extent of ₹50 crores.

15. OTHER FINANCIAL ASSETS

	As at 31 March 2023	As at 31 March 2022
Non-Current		
Security deposits	2,115.05	1,662.33
Current		
Government grants receivable*	3,444.65	3,444.65
Export incentive receivable	46.55	99.80
Insurance claim receivable	16.63	63.90
Security deposits	51.40	37.51
	3,559.23	**3,645.86**

*Based on the legal opinion the Company has decided to defer the recognition until receipt or until the Company has some evidence which gives high level of assurance. In view of this the Company has not recognized ₹431.87 lakhs of power subsidy for October 2021 to March 2022, ₹835.73 lakhs of power subsidy for April 2022 to March 2023, ₹5,000 lakhs for Green measures subsidy and ₹368 lakhs for land conversion and stamp duty subsidy in spite of approval being received. Only approval for power subsidy for October 2022 to March 2023 is not yet received. The said subsidies are in relation to manufacturing plant at Chittoor, Andhra Pradesh. The management is hopeful of recovering the outstanding amounts appearing in the books as being due from Government of Andhra Pradesh.

16. OTHER CURRENT ASSETS

	As at 31 March 2023	As at 31 March 2022
(Unsecured, considered good)		
To parties other than related parties		
Advances for supplies	1,143.04	899.90
Advances to employees	-	9.72
Others		
Prepaid expenses	946.17	847.33
Unmatured finance charges	-	5.63
Assets held for sale	-	50.00
Balance with goods and service tax authorities	159.96	98.20
	2,249.17	**1,910.78**

17. EQUITY SHARE CAPITAL

	As at 31 March 2023	As at 31 March 2022
Authorised		
15,00,00,000 (31 March 2022: 15,00,00,000) equity shares of ₹1 each	**1,500.00**	**1,500.00**
Issued, subscribed and fully paid-up		
12,26,27,395 (31 March 2022: 12,26,27,395) equity shares of ₹1 each	**1,226.27**	**1,226.27**

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
At the commencement of the year	12,26,27,395	1,226.27	12,26,27,395	1,226.27
Changes during the year	-	-	-	-
At the end of the year	**12,26,27,395**	**1,226.27**	**12,26,27,395**	**1,226.27**

(b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares with par value of ₹1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

(c) Particulars of shareholders holding more than 5% shares of fully paid up equity shares

Equity shares of ₹1 each	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	Amount
S. M. Management Pvt. Ltd.	**3,16,26,965**	**25.79%**	3,16,26,965	25.79%
Prime Holdings Pvt. Ltd.	**1,33,32,800**	**10.87%**	1,33,32,800	10.87%
Shobhan Mittal	**1,05,88,380**	**8.63%**	1,05,88,380	8.63%
HDFC Trustee Company Ltd.	**68,89,253**	**5.62%**	70,75,538	5.77%

(d) Details of shares held by promoters

As at 31 March 2023	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹1 each	Mr. Shiv Prakash Mittal	46,04,900	-	46,04,900	3.76%	-
	Mr. Shobhan Mittal	1,05,88,380	-	1,05,88,380	8.63%	-

As at 31 March 2022	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹1 each	Mr. Shiv Prakash Mittal	7,55,000	38,49,900	46,04,900	3.76%	3.14%
	Mr. Shobhan Mittal	1,05,88,380	-	1,05,88,380	8.63%	-

(e) The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/ disinvestment.

(f) The Company for the period of five years immediately preceding the reporting date has not:

(i) Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.

(ii) Allotted fully paid up shares by way of bonus shares.

(iii) Bought back any class of shares.

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

18. OTHER EQUITY

	As at 31 March 2023	As at 31 March 2022
Capital reserve		
At the commencement of the year	62,380.34	62,380.34
	62,380.34	**62,380.34**
Retained earnings		
At the commencement of the year	35,108.05	13,739.03
Add: Profit for the year	22,996.18	23,336.41
Less: Interim dividend on equity shares	1,839.41	1,839.41
Add/(less): Remeasurements of the net defined benefit plans	263.60	(127.98)
	56,528.42	**35,108.05**
	1,18,908.76	**97,488.39**

(a) Description, nature and purpose of reserve:

(i) **Capital reserve:** The capital reserve is created on account of the net assets transferred pursuant to the scheme of arrangement

(ii) **Retained earnings:** It comprises of accumulated profit/ (loss) of the Company.

19. BORROWINGS

	As at 31 March 2023	As at 31 March 2022
Non-current borrowings		
Secured		
Term loans		
From banks		
Foreign currency loans	15,256.47	17,994.91
Rupee loans	2,300.00	2,947.87
	17,556.47	**20,942.78**
Less: Current maturities of long term borrowings	4,848.61	4,497.05
	12,707.86	**16,445.73**
Loan against vehicles	-	94.86
Less: Current maturities of loan against vehicles	-	37.48
	-	**57.38**
	12,707.86	**16,503.11**
Current borrowings		
Secured		
From banks		
Current maturities of long term borrowings	4,848.61	4,497.05
Current maturities of loan against vehicles and equipment	-	37.48
Foreign currency loan - buyers credit	-	843.55
Foreign currency loan - buyers credit - capital goods	1,486.46	1,112.44
Rupee loans - repayable on demand	-	5,251.05
	6,335.07	**11,741.57**

Information about the Company's exposure to credit and currency risks, and loss allowances related to borrowings are disclosed in note 42.

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

(A) Terms of repayment

Name of the lender	Interest rate	Repayment schedule	Year of maturity	As at 31 March 2023	As at 31 March 2022
(i) Foreign currency term loans					
Landesbank Baden-Wurttenberg [**EUR 173.74 lakhs** (31 March 2022: EUR 222.29 lakhs)]	6 month Euribor +0.50%	Repayable at half yearly rest: 7 of EUR 22.27 lakhs & 1 of EUR 17.82 lakhs	2026-27	15,464.10	18,638.79
				15,464.10	**18,638.79**
Unamortised processing fees				(207.63)	(643.88)
				15,256.47	**17,994.91**
(ii) Rupee term loans					
HDFC Bank Limited	Monthly MCLR	Repayable at quarterly rest: 4 of ₹325 lakhs & 4 of ₹250 lakhs	2024-25	2,300.00	2,950.00
				2,300.00	**2,950.00**
Unamortised processing fees				-	(2.13)
				2,300.00	**2,947.87**
Total				**17,556.47**	**20,942.78**

(B) Details of security

(a) Term loan from Landesbank Baden-Wurttenberg (LBBW) of ₹**15,464.10 lakhs** (31 March 2022: ₹18,638.79 lakhs) is secured by exclusive charge on:

i) Main press line of MDF plant at Chittoor, Andhra Pradesh along with other movable fixed assets financed by Landesbank Baden-Wurttenberg

ii) Exclusive charge over main press line of MDF plant at Pantnagar (Uttarakhand)

iii) Fixed deposit of ₹**3,347.93 lakhs** (31 March 2022: ₹3,200 lakhs) in the form of Debt Service Reserve Account (DSRA) pledged in favour of LBBW Bank (LBBW Bank's stipulation is to maintain DSRA in INR equivalent to EUR 35,90,747.68)

(b) Other term loan of ₹**2,300.00** lakhs (31 March 2022: ₹2,950.00 lakhs) is secured by:

(i) First pari passu charge on immovable fixed assets of the Company located at manufacturing units in Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(ii) First pari passu charge on all movable fixed assets of the Company except assets exclusively charged to other lender(s) (including the main press line of MDF plant at Pantnagar and the main press line of MDF plant at Chittoor (Andhra Pradesh) along with any other movable fixed assets exclusively charged to Landesbank Baden-Wurttenberg).

(iii) Second pari passu charge on all current assets of the Company.

(c) Working capital loans of ₹ **Nil** (31 March 2022: ₹5,251.05 lakhs) are secured by:

(i) First pari passu charge on all current assets of the Company.

(ii) Second pari passu charge on immovable fixed assets of the Company located at manufacturing units in Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(iii) Second pari passu charge on all movable fixed assets of the Company except assets exclusively charged to other lender(s) (including the main press line of MDF plant at Pantnagar and the main press line of MDF plant at Chittor (Andhra Pradesh) along with any other movable fixed assets exclusively charged to Landesbank Baden-Wurttenberg).

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

(d) Foreign currency loan - buyers credit - capital goods of **₹1,486.46 lakhs** (31 March 2022: ₹1,112.44 lakhs) is secured by SBLC issued by banks, is further secured by way of hypothecation of fixed assets purchased against the said SBLC.

(e) Foreign currency loan - buyers credit of **₹ Nil** (31 March 2022: ₹843.55 lakhs) is secured by SBLC issued by banks, which is further secured by the same security as working capital loans (as mentioned in para "c" above), as this facility is a sublimit of working capital loans.

20. OTHER FINANCIAL LIABILITIES

	As at 31 March 2023	As at 31 March 2022
Non-current		
Security deposits from customers	668.74	858.34
	668.74	**858.34**
Current		
Interest accrued but not due on borrowings	195.46	43.58
Liability for capital goods	30.10	284.67
Employee benefits payable	1,433.74	1,810.01
Liability for CSR Expenses (refer note 33(ii))	37.27	-
Unclaimed dividend	2.57	0.57
	1,699.14	**2,138.83**

(a) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31 March 2023.

(b) Information about the Company's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in note 42.

21. PROVISIONS

	As at 31 March 2023	As at 31 March 2022
Non-current		
Provisions for employee benefits:		
Net defined benefit liability - gratuity (refer note 30)	872.16	918.68
Liability for compensated absences	216.52	190.97
	1,088.68	**1,109.65**
Current		
Provisions for employee benefits:		
Net defined benefit liability - gratuity (refer note 30)	118.99	269.93
Liability for compensated absences	52.18	34.19
	171.17	**304.12**

22. TRADE PAYABLES

	As at 31 March 2023	As at 31 March 2022
Dues to micro and small enterprises (Refer note 46)	268.50	60.98
Dues to other than micro and small enterprises	10,836.93	14,728.78
	11,105.43	**14,789.76**
Of the above		
Trade payables to related parties (Refer Note 39)	-	1,017.16

Ageing Schedule	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at 31 March 2023						
Dues to micro and small enterprises	268.50	-	-	-	-	**268.50**
Dues to other than micro and small enterprises	9,387.35	1,449.58	-	-	-	**10,836.93**
Total	**9,655.85**	**1,449.58**	**-**	**-**	**-**	**11,105.43**

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Ageing Schedule	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at 31 March 2022						
Dues to micro and small enterprises	60.98	-	-	-	-	**60.98**
Dues to other than micro and small enterprises	13,409.03	1,309.43	10.32	-	-	**14,728.78**
Total	**13,470.01**	**1,309.43**	**10.32**	**-**	**-**	**14,789.76**

Information about the Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 42.

23. DERIVATIVES

	As at 31 March 2023	As at 31 March 2022
Current		
Foreign exchange forward contracts	(60.52)	35.77
(Asset)/Liability	**(60.52)**	**35.77**

Information about the Company's exposure to interest rate and currency risks related to derivatives is disclosed in note 42.

24. OTHER CURRENT LIABILITIES

	As at 31 March 2023	As at 31 March 2022
Statutory dues	951.16	1,361.48
Advance from customers	2,337.21	927.56
	3,288.37	**2,289.04**

25. REVENUE FROM OPERATIONS

	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products		
Finished goods	1,75,877.40	1,57,093.27
Stock-in-trade	1,977.63	1,420.28
	1,77,855.03	**1,58,513.55**
Other operating revenue		
Government grants - EPCG scheme	-	3,379.73
Export incentives	389.27	395.65
Miscellaneous income	41.69	154.34
	430.96	**3,929.72**
	1,78,285.99	**1,62,443.27**
Reconciliation of revenue from sale of products with the contracted price		
Contracted price	1,86,586.17	1,66,374.16
Less : Discounts, volume rebates etc.	(8,731.14)	(7,860.61)
Sale of products	**1,77,855.03**	**1,58,513.55**

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Disaggregated revenue information

The disaggregation of the Company's revenue from contracts with customers as under:

Segment	Year ended 31 March 2023		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Type of Goods			
Finished goods	22,419.33	1,53,458.07	1,75,877.40
Stock-in-trade	1,977.63	-	1,977.63
Sale of products	**24,396.96**	**1,53,458.07**	**1,77,855.03**
Revenue by geography			
- India	24,372.71	1,28,737.11	1,53,109.82
- Outside India	24.25	24,720.96	24,745.21
Total revenue from contracts with customers	**24,396.96**	**1,53,458.07**	**1,77,855.03**

Segment	Year ended 31 March 2022		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Type of Goods			
Finished goods	24,173.57	1,32,919.70	1,57,093.27
Stock-in-trade	1,420.28	-	1,420.28
Sale of products	**25,593.85**	**1,32,919.70**	**1,58,513.55**
Revenue by geography			
- India	25,593.85	1,09,714.55	1,35,308.40
- Outside India	-	23,205.15	23,205.15
Total revenue from contracts with customers	**25,593.85**	**1,32,919.70**	**1,58,513.55**

The reconciliation of the revenue from contracts with customers and other operating revenue is given below :

Segment	Year ended 31 March 2023		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Sale of goods			
- External customers	24,396.96	1,53,458.07	1,77,855.03
- Inter-segment	-	-	-
Other operating revenue	5.37	425.59	430.96
	24,402.33	**1,53,883.66**	**1,78,285.99**
Inter-segment elimination	-	-	-
Less: Other operating revenue	(5.37)	(425.59)	(430.96)
Total revenue from contracts with customers	**24,396.96**	**1,53,458.07**	**1,77,855.03**

Segment	Year ended 31 March 2022		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Sale of goods			
- External customers	25,593.85	1,32,919.70	1,58,513.55
- Inter-segment	-	-	-
Other operating revenue	30.08	3,899.64	3,929.72
	25,623.93	**1,36,819.34**	**1,62,443.27**
Inter-segment elimination	-	-	-
Less: Other operating revenue	(30.08)	(3,899.64)	(3,929.72)
Total revenue from contracts with customers	**25,593.85**	**1,32,919.70**	**1,58,513.55**

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

a) The Company presented disaggregated revenue based on the type of goods sold to customers and location of customers. The Company's revenue is recognised for goods transferred at a point in time. The Company believes that the above disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are effected by industry, market and other economic factors. Segment wise nature, amount, timing and uncertainty of revenues and cash flows are described below:

Nature of goods or services	The Company manufactures and sales, plywood and other plywood-related allied products such as veneer, doors, etc, Medium Density Fibre Board and allied products such as fibre board, plank, etc.
When revenue is recognised	**For Domestic Customer :** Revenue is typically recognised when the goods are delivered to the customer's warehouses. **For Export Customer :** Revenue is typically recognised on the receipt of bill of lading.
Significant payment terms	Payment is received as per the agreed payment terms with customer.
Obligations for returns and refunds, if any	Customers have the right to return the goods to the company, if the customers are dissatisfied with the quality of product which is determined on a case to case basis by the Company.

b) For contract assets i.e. trade receivables refer Note 11 and for contract liabilities i.e. advance from customers refer Note 24.

c) The amount of revenue from contracts with customers recognised in the statement of profit and loss is the contracted price.

26. OTHER INCOME

	Year ended 31 March 2023	Year ended 31 March 2022
Interest on fixed deposits with banks and others	1,645.09	481.45
Rental income	1.20	1.35
Gain on sale/discard of property, plant and equipment	122.98	-
Gain on lease termination	49.73	-
Foreign exchange fluctuations	-	340.96
	1,819.00	**823.76**

27. COST OF MATERIALS CONSUMED

	Year ended 31 March 2023	Year ended 31 March 2022
Inventory of raw materials at the beginning of the year	7,459.85	6,389.37
Add: Purchases	69,684.30	67,129.32
Less: Inventory of raw materials at the end of the year	(3,475.48)	(7,459.85)
	73,668.67	**66,058.84**

28. PURCHASE OF STOCK IN TRADE

	Year ended 31 March 2023	Year ended 31 March 2022
Purchase of traded goods	1,468.08	1,079.07

29. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

	Year ended 31 March 2023	Year ended 31 March 2022
Opening inventories		
Work-in-progress	2,126.24	1,735.16
Stock in trade	32.00	54.93
Finished goods	3,997.28	4,259.01
	6,155.52	**6,049.10**
Closing inventories		
Work-in-progress	1,311.72	2,126.24
Stock in trade	58.41	32.00
Finished goods	5,343.50	3,997.28
	6,713.63	**6,155.52**
	(558.11)	**(106.42)**

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

30. EMPLOYEES BENEFITS EXPENSE

	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages, bonus, etc.	12,164.39	11,026.94
Contribution to provident and other funds	742.83	626.74
Expenses related to post-employment defined benefit plan	236.22	232.30
Expenses related to compensated absences	347.46	268.89
Staff welfare expenses	167.37	135.45
	13,658.27	**12,290.32**

Salaries, wages, bonus, etc. includes ₹**1,150.40 lakhs** (31 March 2022 ₹1,044.43 lakhs) relating to outsource manpower cost.

Notes:

(a) **Defined contribution plan:** Employee benefits in the form of provident fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

(b) **Defined benefit plan:** Retirement benefits in the form of gratuity is considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

(c) **Actuarial valuation of gratuity liability**

	Year ended 31 March 2023	Year ended 31 March 2022
Defined benefit cost		
Current service cost	151.82	177.26
Interest expense on defined benefit obligation	84.39	55.04
Defined benefit cost in Statement of Profit and Loss	**236.21**	**232.30**
Remeasurements from financial assumptions	(14.65)	(6.42)
Remeasurements from experience adjustments	(337.60)	203.15
Defined benefit cost in Other Comprehensive Income (OCI)	**(352.25)**	**196.73**
Total defined benefit cost in Statement of Profit and Loss and OCI	**(116.04)**	**429.03**
Movement in defined benefit obligation		
Balance at the beginning of the year	1,188.61	797.59
Current service cost	151.82	177.26
Interest cost	84.39	55.04
Actuarial (gains)/losses recognised in other comprehensive income	(352.25)	196.73
Benefits paid	(81.42)	(38.01)
Balance at the end of the year	**991.15**	**1,188.61**
Sensitivity analysis		
Salary escalation - Increase by 1%	1,090.66	1,297.88
Salary escalation - Decrease by 1%	908.98	1,094.44
Withdrawal rates - Increase by 1%	1,002.80	1,192.45
Withdrawal rates - Decrease by 1%	982.71	1,183.60
Discount rates - Increase by 1%	908.18	1,096.82
Discount rates - Decrease by 1%	1,094.04	1,296.23
Actuarial assumptions		
Mortality table	IALM 2012-2014	IALM 2012-2014
Discount rate (per annum)	7.40%	7.10%
Rate of escalation in salary (per annum)	6.00%	6.00%
Withdrawal rate	1% - 8%	1% - 8%
Weighted average duration of defined benefit obligation (in years)	4.75	4.39

(d) Amount incurred as expense for defined contribution to Provident Fund is ₹**686.14 lakhs** (31 March 2022 ₹576.21 lakhs).

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

31. FINANCE COSTS

	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on financial liabilities measured at amortised cost	659.75	1,121.34
Interest expense on lease liabilities	155.20	94.98
Exchange difference regarded as an adjustment to borrowing cost	875.08	-
Other borrowing cost	178.39	429.83
	1,868.42	**1,646.15**

32. DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation of property, plant and equipment	6,387.94	6,419.23
Depreciation of right to use asset	501.30	371.08
Amortisation of intangible assets	8.98	9.07
	6,898.22	**6,799.38**

33. OTHER EXPENSES

	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of stores and spares	2,393.27	2,036.13
Power and fuel	19,197.16	14,228.58
Rent	452.20	319.99
Repairs to:		
- buildings	78.16	383.18
- plant and equipment	1,747.68	1,653.72
- others	508.25	477.27
Insurance	878.74	720.52
Rates and taxes	121.08	81.49
Travelling expenses	2,002.48	826.71
Freight and delivery expenses	8,444.46	8,003.00
Export expenses	5,171.60	4,923.96
Advertisement and sales promotion	2,391.78	1,823.17
Commission	1,300.79	2,334.51
Directors sitting fees and commission	59.60	18.40
Payment to auditors [refer note 33 (i) below]	41.01	34.33
Expenditure on corporate social responsibility [refer note 33 (ii) below]	268.88	124.61
Loss on sale/discard of property, plant and equipment	242.06	283.75
Provision for doubtful debts & bad debts	83.72	37.95
Foreign exchange fluctuations	51.24	-
Miscellaneous expenses	3,562.85	3,004.98
	48,997.01	**41,316.25**
33 (i) Payment to auditors		
As auditors:		
- Statutory audit	36.10	29.50
- Tax audit	-	-
- Limited review of quarterly results	3.90	3.90
In other capacity		
- Certification fees	0.69	0.93
- Other services	-	-
Reimbursement of expenses	0.32	-
	41.01	**34.33**

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	Year ended 31 March 2023	Year ended 31 March 2022
33 (ii) Expenditure on corporate social responsibility		
Amount required to be spent by the company during the year	268.88	76.49
Amount of expenditure incurred	231.61	124.61
Shortfall at the end of year for which provision has been created	37.27	-
Total of previous years shortfall	-	-
Nature of CSR activities		
Plantation activities	152.56	-
Government schools	49.06	23.69
Medical services	6.99	13.97
Art & culture preservation	10.00	-
Providing of scooters to disabled persons	13.00	-
Support in covid pandemic	-	82.49
Carpentary training	-	4.46
	231.61	**124.61**

34. EXCEPTIONAL ITEMS

	Year ended 31 March 2023	Year ended 31 March 2022
Write back of liability no longer required	(1,083.75)	-
Loss on transfer of plant and machinery	473.68	-
Provision against impairment of investment	3,038.77	-
	2,428.70	**-**

a) **Write back of liability no longer required:** The Hon'ble Supreme Court of India vide its Order dated 22 April 2020 upheld the Special Leave Petition filed by the Union of India & Others in Civil Appeal Nos.2256-2263 of 2020 arising out of S.L.P. (C) Nos. 28194-28201/2010 in respect of availing of area based exemption under Central Excise in respect of manufacturing unit of Greenply Industries Limited (Greenply) at Tizit, Nagaland. Greenply may have to refund maximum principal amount upto ₹2,709.36 lakhs in respect of excess refund received from the Excise Department for the period from 1 April 2008 to 30 June 2017. However, as per Clause No. 4.3.6 of the Composite Scheme of Arrangement between Greenply and the Company duly approved by the Hon'ble National Company Law Tribunal, Guwahati Bench on 28 June 2019, the above principal amount of ₹2,709.36 lakhs along with interest, if any, shall be shared by Greenply and the Company. The Company had considered the possible outflow of ₹1,083.74 lakhs i.e. 40% of ₹2,709.36 lakhs as liability, based on the legal opinion and facts of present circumstances. However, as per the said Composite Scheme of Arrangement, the liability could only have been materialised upto 31 March 2022, post which the Company was not required to pay the same. Since there has been no demand for payment of said liability, and the time has also elapsed, the Company has reversed the said liability of ₹1,083.74 lakhs.

b) **Loss on transfer of plant and machinery:** The Electricity switching station & transmission infrastructure at the plant at Chittor, Andhra Pradesh, has been transferred by way of Gift in favour of M/s Transmission Corporation of Andhra Pradesh Limited. The Company has written off the said asset from its books of accounts on 6 July 2022 and the carrying value on that date amounting to ₹473.68 lakhs was debited to the Statement of Profit and Loss.

c) **Provision against impairment of investment:** The Board of Directors, through resolution by circulation on 29 November 2022, approved the winding up of the Company's wholly owned subsidiary (WOS) namely, Greenpanel Singapore Pte. Ltd. subject to the rules and regulations of Singapore. The Board also approved write off the investment in the WOS to the extent of impairment of the asset due to accumulated losses of the WOS. As such, the company has accounted for impairment of the investment in the WOS to the extent of ₹3,038.77 lakhs.

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

35. INCOME TAX

	Year ended 31 March 2023	Year ended 31 March 2022
(a) Amount recognised in Profit and Loss		
Current tax	6,141.49	5,901.97
Earlier years tax	19.76	69.39
Income tax	**6,161.25**	**5,971.36**
Deferred tax	(4,237.54)	8,964.16
Mat credit	6,755.84	(4,088.49)
Deferred tax	**2,518.30**	**4,875.67**
Tax expense in Statement of Profit and Loss	8,679.55	10,847.03
Deferred tax in other comprehensive income	88.65	(68.75)
Tax expense in Total Comprehensive Income	**8,768.20**	**10,778.28**
(b) Reconciliation of effective tax rate for the year		
Profit before Tax	31,675.73	34,183.44
Applicable Income Tax rate	34.944%	34.944%
Computed tax expense	**11,068.77**	**11,945.06**
Non-deductible expenses for tax purposes	93.96	43.55
Permanent difference on account of EPCG income	105.36	(1,181.01)
Earlier years tax	19.76	69.39
Reduction in tax rate due to adoption of new regime	(3,663.35)	-
Minimum Alternate Tax credit written off	267.42	-
Others	787.63	(29.96)
Tax expense in Statement of Profit and Loss	**8,679.55**	**10,847.03**
(c) Recognised deferred tax assets and liabilities:		
Property, plant and equipment and intangible assets	10,802.92	14,723.32
Provisions for employee benefits	(337.84)	(522.81)
Provision for doubtful debts	(69.82)	(91.09)
Foreign exchange differences on account of mark to market valuation	(122.26)	(61.43)
Other temporary differences	(841.82)	(467.92)
Minimum Alternate Tax credit	-	(6,755.84)
Deferred tax liabilities	**9,431.18**	**6,824.23**
(d) Reconciliation of Deferred Tax Liability:		
Temporary difference on account of:		
Property, plant and equipment and intangible assets	(3,920.40)	(572.27)
Provisions for employee benefits	96.32	(98.22)
Provision for doubtful debts	21.27	72.37
Foreign exchange differences on account of mark to market valuation	(60.83)	732.71
Other temporary differences	(373.90)	7.21
Unabsorbed depreciation carried forward	-	8,822.36
Minimum Alternate Tax credit (entitlement)/utilised	6,755.84	(4,088.49)
Deferred tax in Statement of Profit and Loss	**2,518.30**	**4,875.67**
Temporary difference of liabilities in other comprehensive income	88.65	(68.75)
Deferred tax in Total Comprehensive Income	**2,606.95**	**4,806.92**

The Company has decided to adopt the New Tax Regime u/s 115BAA under the Income Tax Act 1961 from FY 2023-24 (AY 2024-25). Consequently, deferred tax credit including write off of MAT of ₹3,395.93 lakhs has been recognised in statement of profit and loss during the year ended March 31, 2023 on account of re-measurement of net deferred tax liabilities reducing by ₹3,663.35 lakhs on account of reduction in prospective income tax rate to 25.168% from 34.944%, and write-off of the balance of Minimum Alternate Tax (MAT) by ₹267.42 lakhs. The said impact is reflected in the statement of profit and loss for the quarter and year ended March 31, 2023. During the current quarter, the company has also reversed deferred tax asset recognised on 'Land' of ₹722.29 lakhs on account of change in assumptions as per the provisions of Ind-AS 12 'Income Taxes'.

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

36. EARNINGS PER SHARE

	Year ended 31 March 2023	Year ended 31 March 2022
Basic and diluted earnings per share		
(i) Profit for the year, attributable to the equity shareholders	22,996.18	23,336.41
(ii) Weighted average number of equity shares		
- Number of equity shares at the beginning of the year	12,26,27,395	12,26,27,395
- Number of equity shares at the end of the year	12,26,27,395	12,26,27,395
Weighted average number of equity shares	**12,26,27,395**	**12,26,27,395**
Basic and diluted earnings per share (₹) [(i)/(ii)]	**18.75**	**19.03**

37. CONTINGENT LIABILITIES AND COMMITMENTS

	As at 31 March 2023	As at 31 March 2022
(to the extent not provided for)		
Contingent liabilities		
(a) Claims against the Company not acknowledged as debts:		
(i) Excise duty, sales tax and other indirect taxes in dispute	1,022.58	1,022.58
Capital and other commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	36,025.53	5.38
(ii) Other Commitments	587.50	-

Claim against the Company not acknowledged as debt:

Cash outflows for the above are determinable only on receipt of judgments pending at various forums/ authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

38. LEASES

Company as a lessee

The Company has lease contracts for offices and factory land. The Company's obligations under these leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets. The Company also has certain leases of offices with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

	Land	Offices	Total
(a) Carrying amounts of right-of-use assets			
Balance at 1 April 2021	1,209.20	1,197.80	2,407.00
Additions during the year	-	-	-
Depreciation charge for the year	(16.31)	(354.77)	(371.08)
Reductions during the year	-	-	-
Balance at 31 March 2022	**1,192.89**	**843.03**	**2,035.92**
Balance at 1 April 2022	1,192.89	843.03	2,035.92
Additions during the year	-	3,291.70	3,291.70
Depreciation charge for the year	(16.31)	(484.99)	(501.30)
Reductions during the year	-	(232.77)	(232.77)
Balance at 31 March 2023	**1,176.58**	**3,416.97**	**4,593.55**

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	As at 31 March 2023	As at 31 March 2022
(b) Lease liabilities		
Maturity analysis - contractual undiscounted cash flows		
Less than one year	977.37	326.46
One to five years	3,530.68	678.24
More than five years	-	89.53
Total undiscounted lease liabilities	**4,508.05**	**1,094.23**
Lease liabilities included in the balance sheet		
Current	684.87	259.70
Non-current	3,035.10	676.11
Lease liabilities included in the balance sheet	**3,719.97**	**935.81**
(c) Amount recognised in statement of profit and loss		
Interest expenses on lease liabilities	155.20	94.98
Depreciation of right-of-use assets	501.30	371.08
Expenses relating to short-term leases (included in other expenses)	452.20	319.99
Total amount recognised in profit and loss	**1,108.70**	**786.05**
(d) Amount recognised in statement of cash flows		
Total cash outflow for leases	**(380.24)**	**(341.78)**

39. RELATED PARTY DISCLOSURE

Related parties where control exists

a) Wholly owned subsidiary company:

Greenpanel Singapore Pte. Limited, Singapore

b) Other related parties with whom transactions have taken place during the year

Key Management Personnel (KMP)

Mr. Shiv Prakash Mittal, Executive Chairman

Mr. Shobhan Mittal, Managing Director & CEO

Mr. Mahesh Kumar Jiwarajka, Non-Executive Independent Director

Mr. Salil Kumar Bhandari, Non-Executive Independent Director

Mr. Arun Kumar Saraf, Non-Executive Independent Director

Ms. Susmita Singha, Non-Executive Independent Director (till 7 April 2022)

Ms. Shivpriya Nanda, Non-Executive Independent Director (from 6 July 2022)

Mr. Vishwanathan Venkatramani, Chief Financial Officer

Mr. Lawkush Prasad, Company Secretary & Vice President-Legal

Relatives of Key Management Personnel (KMP)

Mrs. Santosh Mittal (Wife of Mr. Shiv Prakash Mittal)

Mr. Rajesh Mittal (Brother of Mr. Shiv Prakash Mittal)

Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal)

Mrs. Janaki Venkatramani (Wife of Mr. Vishwanathan Venkatramani)

Mr. Prashant Venkatramani (Son of Mr. Vishwanathan Venkatramani)

Mrs. Rinku Prasad (Wife of Mr. Lawkush Prasad)

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

c) Enterprises controlled by Key Management Personnel or their relatives

Greenlam Industries Limited

Greenlam South Limited

Greenply Industries Limited

Prime Holdings Private Limited

S.M. Management Private Limited

Vanashree Properties Private Limited

Bluesky Projects Private Limited

Akshat Enterprises (represented by Mr. Arun Kumar Saraf)

d) Related party transactions

Name of the related party	Nature of transaction	As at 31 March 2023	As at 31 March 2022
Greenpanel Singapore Pte. Limited	Commission paid	1,186.53	2,253.92
	Purchase of assets	592.39	-
Greenlam Industries Limited	Sale of products*	1,034.89	1,184.01
	Purchase of products*	22.15	19.21
	Rent received	-	0.25
Greenlam South Limited	Rent received	0.60	0.60
Greenply Industries Limited	Sale of products*	6.81	-
	Rent received	0.60	0.50
Mr. Shiv Prakash Mittal	Remuneration	910.28	783.14
Mr. Shobhan Mittal	Remuneration	917.75	713.12
Mr. Mahesh Kumar Jiwarajka	Remuneration	16.50	4.80
Mr. Salil Kumar Bhandari	Remuneration	15.30	4.40
Mr. Arun Kumar Saraf	Remuneration	15.10	4.60
Ms. Shivpriya Nanda	Remuneration	12.70	-
Ms. Susmita Singha	Remuneration	-	4.60
Mr. Vishwanathan Venkatramani	Remuneration	177.17	159.82
Mr. Lawkush Prasad	Remuneration	36.44	33.01
Mrs. Chitwan Mittal	Remuneration	30.29	29.80
Mr. Prashant Venkatramani	Remuneration	4.71	0.15
Prime Holdings Private Limited	Professional Fees	0.43	0.21
S. M. Management Private Limited	Dividend paid	474.40	474.40
Prime Holdings Private Limited	Dividend paid	199.99	199.99
Vanashree Properties Private Limited	Dividend paid	46.74	46.74
Bluesky Projects Private Limited	Dividend paid	5.63	5.63
Mr. Shobhan Mittal	Dividend paid	158.83	158.83
Mr. Shiv Prakash Mittal	Dividend paid	69.07	11.33
Mrs. Santosh Mittal	Dividend paid	21.99	21.99
Mr. Rajesh Mittal	Dividend paid	-	57.75
Mr. Salil Kumar Bhandari	Dividend paid	0.08	0.08
Mr. Arun Kumar Saraf	Dividend paid	0.30	0.30
Akshat Enterprises	Dividend paid	0.83	-
Mr. Vishwanathan Venkatramani	Dividend paid	0.81	0.81
Mrs. Janaki Venkatramani	Dividend paid	0.50	0.50
Mr. Prashant Venkatramani	Dividend paid	0.19	0.19
Mr. Lawkush Prasad	Dividend paid	-	0.15
Mrs. Rinku Prasad	Dividend paid	0.10	0.10

Note : * indicates the amounts are inclusive of applicable Goods and Service Tax (GST).

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

e) Outstanding balances

Name of the related party	Nature of transaction	As at 31 March 2023	As at 31 March 2022
Greenpanel Singapore Pte. Limited	Trade payables (Commission)	-	1,015.88
Greenlam Industries Limited	Trade receivables	-	28.12
	Trade payables	-	1.28
Greenply Industries Limited	Trade receivables	6.81	-
Mr. Shiv Prakash Mittal	Employee benefits payable	475.00	512.80
Mr. Shobhan Mittal	Employee benefits payable	475.00	512.80
Mr. Mahesh Kumar Jiwarajka	Remuneration payable	9.00	-
Mr. Salil Kumar Bhandari	Remuneration payable	9.00	-
Mr. Arun Kumar Saraf	Remuneration payable	9.00	-
Ms. Shivpriya Nanda	Remuneration payable	9.00	-

f) Key Management Personnel compensation

Key management personnels compensation comprised of the following:

Nature of transaction	As at 31 March 2023	As at 31 March 2022
Short-term employee benefits	1,964.36	1,611.43
Other long-term benefits	64.18	65.19
Perquisites	13.10	12.47
Total compensation paid to key management personnel	**2,041.64**	**1,689.09**

As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to each key management personnel is not separately ascertainable and, therefore, not included above. Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the KMPs are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

g) Terms and conditions of transactions with related parties

Purchase from related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end are unsecured and will be settled in cash and cash equivalents.

The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year after examining the financial position of the related parties and the market in which the related party operates.

h) Details of loans, investments and guarantees covered under Section 186(4) of the Companies Act, 2013

(i) Details of loans Nil

(ii) Details of investments Particulars of investments is disclosed in note 7

(iii) Details of guarantees Nil

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

40. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES (IND AS 107)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Standalone Balance Sheet are as follows:

		As at 31 March 2023		As at 31 March 2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets at amortised cost					
Non-current					
Investments		2,205.85	2,205.85	5,244.62	5,244.62
Other financial assets	Level 3	2,115.05	2,115.05	1,662.33	1,662.33
Current					
Trade receivables	Level 3	4,439.73	4,439.73	4,144.32	4,144.32
Cash and cash equivalents	Level 3	1,103.02	1,103.02	5,603.76	5,603.76
Other bank balances	Level 3	34,478.42	34,478.42	16,523.23	16,523.23
Loans	Level 3	50.00	50.00	72.16	72.16
Other financial assets	Level 3	3,559.23	3,559.23	3,645.86	3,645.86
Total Financial Assets		**47,951.30**	**47,951.30**	**36,896.28**	**36,896.28**
Financial assets at fair value through profit and loss					
Current					
Derivatives	Level 2	60.52	60.52	-	-
		60.52	**60.52**	**-**	**-**
Total Financial Assets		**48,011.82**	**48,011.82**	**36,896.28**	**36,896.28**
Financial liabilities at amortised cost					
Non-current					
Borrowings	Level 3	12,707.86	12,707.86	16,503.11	16,503.11
Lease liabilities	Level 3	3,035.10	3,035.10	676.11	676.11
Other financial liabilities	Level 3	668.74	668.74	858.34	858.34
Current					
Borrowings	Level 3	6,335.07	6,335.07	11,741.57	11,741.57
Lease liabilities	Level 3	684.87	684.87	259.70	259.70
Other financial liabilities	Level 3	1,699.14	1,699.14	2,138.83	2,138.83
Trade payables	Level 3	11,105.43	11,105.43	14,789.76	14,789.76
		36,236.21	**36,236.21**	**46,967.42**	**46,967.42**
Financial liabilities at fair value through profit and loss					
Current					
Derivatives	Level 2	-	-	35.77	35.77
		36,236.21	**36,236.21**	**47,003.19**	**47,003.19**

41. FAIR VALUE MEASUREMENT

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Financial assets and liabilities measured at fair value - recurring fair value measurements are as follows:

	As at 31 March 2023	As at 31 March 2022
Financial assets - Level 2		
Derivatives	60.52	-
Financial liabilities - Level 2		
Derivatives	-	35.77

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable, cash credits, borrowings and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

(a) The fair value of the quoted investments are based on market price at the respective reporting date.

(b) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves based on report obtained from banking partners.

(c) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies based on report obtained from banking partners.

42. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

Risk management framework

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. Foreign currency options contract are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

The sources of risks which the Company is exposed to and their management is given below:

Risk	Exposure Arising from	Measurement	Management
Credit risk	Trade receivables, derivative financial instruments, loans	Ageing analysis, credit rating	Credit limit and credit worthiness monitoring, credit based approval process.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities.
Market risk Foreign exchange risk	Committed commercial transaction, Financial asset and liabilities not denominated in INR	Cash flow forecasting sensitivity analysis	Forward foreign exchange contracts.
Interest rate	Long term borrowings at variable rates	Sensitivity analysis interest rate movements	Interest rate swaps

(i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers and loans. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below:

Particulars	As at 31 March 2023	As at 31 March 2022
Revenue from a top customer	4.23%	3.21%
Revenue from top five customers	12.00%	8.19%

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the credit loss allowance for trade receivables. The said provision has been netted off under trade receivables.

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning	193.69	426.57
Impairment loss recognised/(reversal)	83.72	(232.88)
Balance at the end	**277.41**	**193.69**

The ageing analysis of the trade receivables (gross of provision) has been considered from the final due date of the invoice and the schedule is annexed to note on Trade Receivables in Note 11.

Notes

to the standalone financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, finding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31 March 2023	< 1 year	1 - 5 years	> 5 years	Total
Borrowings	6,451.50	12,799.06	-	19,250.56
Lease Liabilities	977.37	3,530.68	-	4,508.05
Trade payables	11,105.43	-	-	11,105.43
Other financial liabilities	1,699.14	668.74	-	2,367.88
	20,233.44	**16,998.48**	**-**	**37,231.92**

As at 31 March 2022	< 1 year	1 - 5 years	> 5 years	Total
Borrowings	11,965.46	16,925.23	-	28,890.69
Lease Liabilities	326.46	678.24	89.53	1,094.23
Trade payables	14,789.76	-	-	14,789.76
Other financial liabilities	2,174.60	858.34	-	3,032.94
	29,256.28	**18,461.81**	**89.53**	**47,807.62**

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument . The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Exposure to currency risk

The Company's exposure to foreign currency at the end of the reporting period are as follows:

Particulars	Currency	As at 31 March 2023		As at 31 March 2022	
		Amount in Foreign currency	₹ in Lakhs	Amount in Foreign currency	₹ in Lakhs
Hedged exposures					
Borrowings	EURO	-	-	22,27,313	1,867.62
Borrowings - Buyers credit	USD	-	-	11,13,159	843.55
Trade payables	EURO	1,43,876	128.06	99,196	83.18
	USD	-	-	62,827	47.61
			128.06		130.79
Unhedged exposures					
Borrowings	EURO	1,73,73,575	15,464.10	2,00,01,254	16,771.17
Borrowings - Buyers credit - Capex	EURO	16,70,000	1,486.46	9,20,000	771.43
	USD	-	-	4,50,000	341.01
			1,486.46		1,112.44
Trade payables	EURO	1,38,297	123.10	1,16,699	97.85
	USD	-	-	13,48,380	1,021.80
			123.10		1,119.65
Liability for Capital Goods	EURO	-	-	2,00,508	168.13
Interest accrued but not due on borrowings	EURO	2,19,592	195.46	51,971	43.58
Trade receivables	USD	17,26,761	1,418.92	18,04,225	1,367.24

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EURO against Indian rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Nature	Effect	As at 31 March 2023	As at 31 March 2022
USD (5% Movement)	Profit or loss	Strengthening	70.95	0.22
		Weakening	(70.95)	(0.22)
	Equity, net of tax	Strengthening	53.09	0.14
		Weakening	(53.09)	(0.14)
EUR (5% Movement)	Profit or loss	Strengthening	(863.46)	(892.61)
		Weakening	863.46	892.61
	Equity, net of tax	Strengthening	(646.14)	(580.70)
		Weakening	646.14	580.70

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. For all long term borrowings with floating rates, the risk of variation in the interest rates in mitigated through interest rate swaps. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Exposure to interest rate risk

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	(1,486.46)	(2,050.85)
	(1,486.46)	**(2,050.85)**
Effect of interest rate swaps	-	-
	(1,486.46)	**(2,050.85)**
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(17,764.10)	(26,839.84)
	(17,764.10)	**(26,839.84)**
Effect of interest rate swaps	-	-
	(17,764.10)	**(26,839.84)**

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

In case of variable rate instrument from Landesbank Baden-Wurttenberg, the EURIBOR element is negative since long and seems to continue for a foreseeable period, and as such the sensitivity analysis below is unrepresentative of a risk inherent in the said financial instrument.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

Particulars	Nature	Effect	As at 31 March 2023	As at 31 March 2022
Variable rate instruments	Profit or loss	Strengthening	(177.64)	(268.40)
		Weakening	177.64	268.40
	Equity, net of tax	Strengthening	(132.93)	(174.61)
		Weakening	132.93	174.61
Interest rate swap	Profit or loss	Strengthening	-	-
		Weakening	-	-
	Equity, net of tax	Strengthening	-	-
		Weakening	-	-
Cash flow sensitivity (net)	Profit or loss	Strengthening	(177.64)	(268.40)
		Weakening	177.64	268.40
	Equity, net of tax	Strengthening	(132.93)	(174.61)
		Weakening	132.93	174.61

43. CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company's objective when managing capital are to: (a) to maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

The Company monitors capital using debt-equity ratio, which is total debt less liquid investments divided by total equity.

Particulars	As at 31 March 2023	As at 31 March 2022
Total debt (Bank and other borrowings)	19,042.93	28,244.68
Less: Cash and cash equivalents	1,103.02	5,603.76
Less: Other bank balances	34,478.42	16,523.23
Adjusted net debt	**(16,538.51)**	**6,117.69**
Equity	1,20,135.03	98,714.66
Debt to Equity (net)	**(0.14)**	**0.06**

In addition, the Company has financial covenants relating to the banking facilities that it has taken from all the lenders like interest service coverage ratio, Debt to EBITDA, current ratio etc. which is maintained by the Company.

44. SEGMENTS INFORMATION

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

45. TAXATION

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

46. DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES

	As at 31 March 2023	As at 31 March 2022
(a) The amounts remaining unpaid to Micro and Small suppliers as at the end of each accounting year		
- Principal	268.50	60.98
- Interest	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

Note: The above information regarding Micro Small & Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company. The same has been relied upon by the auditors.

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

47. FINANCIAL RATIOS

Ratios	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	% change	Reason for change
Current ratio	Current Assets	Current Liabilities	2.62	1.53	71.25%	Reduction in working capital cycle
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.16	0.29	-44.60%	Reduction in working capital investment leading to improved cash flows used for debt reduction
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	5.83	1.40	315.32%	Reduction in borrowings resulting in lower interest outgo
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	21.02%	26.51%	-20.72%	Increase in accumulated shareholders equity as compared to previous year whereas profit after tax remaining at almost the same level as compared to previous year
Inventory Turnover ratio	Cost of goods sold	Average Inventory	6.27	5.15	21.77%	Decrease in inventory levels and increased cost of production
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	47.86	30.68	55.99%	Increase in turnover on same receivables cycle
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	6.48	5.76	12.50%	Due to reduction in credit cycle
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	4.70	9.46	-50.29%	Increase in turnover and reduction in working capital cycle
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	12.93%	14.72%	-12.17%	Increase in turnover whereas net profit almost remaining the same as compared to the previous year due to increase in raw material prices and operational expenses
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt	24.10%	28.22%	-14.60%	Increase in accumulated shareholders equity as compared to previous year whereas profit after tax remaining at almost the same level as compared to previous year
Return on Investment	Interest (Finance Income)	Investment	Not Applicable	Not Applicable		Not Applicable

48. DISTRIBUTION MADE AND PROPOSED DIVIDEND (IND AS 1)

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2023. Since no dividend has been proposed in the current and previous year, financial figures with respect to the same has not been given.

The Company has paid an interim dividend of ₹1.50 per equity share i.e. 150% on face value of ₹1 per share for the financial year 2022-23 during the year on 12,26,27,395 equity shares (previous year ₹1.50 per equity share).

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

49. RECONCILIATION OF QUARTERLY BANK RETURNS

Name of Bank	Particulars	Quarter	Amount as per books	Amount as reported in quarterly returns	Amount of difference
Working Capital Lenders	Inventory	31 March 2023	15,253.48	13,070.00	2,183.48
Working Capital Lenders	Trade receivables	31 March 2023	4,439.73	8,823.58	(4,383.85)
Working Capital Lenders	Trade payables	31 March 2023	(11,105.43)	(7,376.29)	(3,729.14)
Working Capital Lenders	**Net Total**	**31 March 2023**	**8,587.78**	**14,517.29**	**(5,929.51)**
Working Capital Lenders	Inventory	31 December 2022	17,490.83	15,103.00	2,387.83
Working Capital Lenders	Trade receivables	31 December 2022	3,284.69	9,090.58	(5,805.89)
Working Capital Lenders	Trade payables	31 December 2022	(11,136.25)	(5,797.24)	(5,339.01)
Working Capital Lenders	**Net Total**	**31 December 2022**	**9,639.27**	**18,396.34**	**(8,757.07)**
Working Capital Lenders	Inventory	30 September 2022	19,570.39	17,691.00	1,879.39
Working Capital Lenders	Trade receivables	30 September 2022	4,420.08	9,855.10	(5,435.02)
Working Capital Lenders	Trade payables	30 September 2022	(13,246.84)	(7,891.42)	(5,355.42)
Working Capital Lenders	**Net Total**	**30 September 2022**	**10,743.63**	**19,654.68**	**(8,911.05)**
Working Capital Lenders	Inventory	30 June 2022	18,095.93	16,184.00	1,911.93
Working Capital Lenders	Trade receivables	30 June 2022	3,831.28	9,085.28	(5,254.00)
Working Capital Lenders	Trade payables	30 June 2022	(15,667.72)	(8,602.35)	(7,065.37)
Working Capital Lenders	**Net Total**	**30 June 2022**	**6,259.49**	**16,666.93**	**(10,407.44)**
Working Capital Lenders	Inventory	31 March 2022	16,581.57	14,632.00	1,949.57
Working Capital Lenders	Trade receivables	31 March 2022	4,144.32	9,589.25	(5,444.93)
Working Capital Lenders	Trade payables	31 March 2022	(14,789.76)	(10,168.82)	(4,620.94)
Working Capital Lenders	**Net Total**	**31 March 2022**	**5,936.13**	**14,052.43**	**(8,116.30)**
Working Capital Lenders	Inventory	31 December 2021	14,515.13	12,525.00	1,990.13
Working Capital Lenders	Trade receivables	31 December 2021	3,368.12	7,982.00	(4,613.88)
Working Capital Lenders	Trade payables	31 December 2021	(13,135.44)	(8,803.00)	(4,332.44)
Working Capital Lenders	**Net Total**	**31 December 2021**	**4,747.81**	**11,704.00**	**(6,956.19)**
Working Capital Lenders	Inventory	30 September 2021	16,107.67	13,866.00	2,241.67
Working Capital Lenders	Trade receivables	30 September 2021	4,924.76	8,701.00	(3,776.24)
Working Capital Lenders	Trade payables	30 September 2021	(15,508.26)	(10,906.00)	(4,602.26)
Working Capital Lenders	**Net Total**	**30 September 2021**	**5,524.17**	**11,661.00**	**(6,136.83)**
Working Capital Lenders	Inventory	30 June 2021	16,956.66	15,144.00	1,812.66
Working Capital Lenders	Trade receivables	30 June 2021	6,930.43	9,246.00	(2,315.57)
Working Capital Lenders	Trade payables	30 June 2021	(13,207.00)	(9,339.00)	(3,868.00)
Working Capital Lenders	**Net Total**	**30 June 2021**	**10,680.09**	**15,051.00**	**(4,370.91)**

Working Capital Lenders represent State Bank of India, HDFC Bank Limited, Axis Bank Limited, RBL Bank Limited, Indusind Bank Limited

Note for Discrepancies:

The difference in Inventory is due to the cost of inventories included in financial statements on account of sales not considered, for the risk and rewards not transferred in view of compliance of Ind AS 115.

The difference in trade receivables is due to (i) the amount excluded from financial statements on account of sales not considered for the risk and rewards not transferred in view of compliance of Ind AS 115 and (ii) exclusion of debtors whose ageing is more than 90 days from invoice date and related party balances from stock statement.

The Discrepancy in trade payables is due to the Service and the Corporate Creditors not being part of disclosure in bank reporting. Creditors reported in stock statement is only to the extent of inventory purchased, along with net of advances.

Notes

to the standalone financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

50. OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), 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

(vi) The Company has not received any fund from any person(s) or entity(ies), 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,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

As per our report of even date attached

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number.: 000756N

Sunil Wahal
Partner
Membership No: 087294

Place : Gurgaon
Dated : 6 May 2023

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

Vishwanathan Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & VP-Legal

Place : Gurgaon
Dated : 6 May 2023

Independent Auditors' Report

To the Members of
Greenpanel Industries Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying Consolidated Financial Statements of Greenpanel Industries Limited (hereinafter referred to as 'the Holding Company' or 'Company'), its subsidiary (the Holding Company and its subsidiary together referred to as the 'Group') which comprises of the consolidated balance sheet as at March 31 2023, the consolidated statement of profit and loss, including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information in which are included the returns for the year ended on that date audited by the branch auditor of the Company's branch located at Singapore (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary and branch referred to in the other matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the relevant rules made thereunder, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, its consolidated profit including the consolidated comprehensive profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 audit opinion on the Consolidated Financial Statements.

EMPHASIS OF MATTER

We draw attention to Note no. 15 to the Consolidated Financial Statement, on the basis of legal opinion the Holding Company has not accounted for some of the Government subsidies as mentioned in the said note. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key audit matters	How our audit addressed the key audit matters
Revenue recognition on sale of goods and impairment loss allowance on trade receivables	
Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives and returns, if any, ('variable consideration') as specified in the contracts with the customers. An estimate of variable consideration payable to the customers is recorded as at the year-end. Such estimation is done based on the terms of contracts, rebates and discounts schemes and historical experience. In accordance with Ind AS 109 – Financial Instruments, the Holding Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. In calculating the impairment loss allowance, the Holding 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 Holding Company's management exercises significant judgments and estimates in calculating the said variable consideration and impairment loss allowance.	Our audit procedures included, amongst others: a. We read and evaluated the Holding Company's policies for revenue recognition and impairment loss allowance and assessed its compliance with Ind AS 115 – Revenue from contracts with customers' and Ind AS 109 'Financial Instruments' respectively. b. We assessed the design and tested the operating effectiveness of internal controls related to sales including variable consideration and impairment loss allowance on trade receivables. c. We performed the following tests for a sample of transactions relating to variable consideration: • Read the terms of contract including rebates and discounts schemes as approved by authorized personnel. • Evaluated the assumptions used in estimation of variable consideration by comparing with the past trends and understand the reasons for deviation. • Performed retrospective review to identify and evaluate variances. d. We evaluated management's assessment of the assumptions used in the calculation of impairment loss allowance on trade receivables, including consideration of the current and estimated future uncertain economic conditions. e. For sample customers, we tested past collection history, customer's credit assessment and probability of default assessment performed by the management. f. We tested the mathematical accuracy and computation of the allowances. g. We read and assessed the relevant disclosures made within the consolidated Ind AS financial statements.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditor's Report. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance 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 such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express as opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the subsidiary and branch included in the Consolidated Financial Statements, which has been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by him. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 for the financial year ended March 31, 2023, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

i. We did not audit the financial statements and other financial information in respect of Greenpanel Singapore Pte. Limited, subsidiary of Company incorporated outside India whose financial statements results includes total assets of ₹2,233.84 lakhs as at March 31, 2023, total revenues of ₹1,239.43 lakhs, total comprehensive income of ₹381.33 lakhs for the year ended on that date respectively, and net cash inflows of ₹89.56 lakhs for the year ended March 31, 2023. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management.

ii. These Consolidated Financial Statements includes the audited financial statements/financial information, in respect of one branch office situated outside India, whose financial statements include total assets of ₹849.47 lakh as at March 31, 2023, total revenues of ₹ Nil, total net loss after tax of ₹1101.47 lakh, total comprehensive loss of ₹1101.47 lakh for the year ended, as considered in the Consolidated Financial Statements, which have been audited by their independent auditor. The Company's management has converted the financial statements of such branch located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management.

These financial statements and other information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amount and disclosure included in respect of this subsidiary and branch and our report in terms of sub section 3 of section 143 of the Act, is based solely on the reports of the other auditors.

Our opinion is not modified in respect of these matters with respect to our reliance on the work done and reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order or CARO"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company we give below table for matters specified in paragraph 3(xxi) of the Order. The subsidiary included in the Consolidated Financial Statements is a company incorporated outside India hence reporting under CARO is not applicable;

Independent Auditors' Report

S. No.	Name of Entity	CIN	Holding/ Subsidiary/ Associate/ Joint Venture	Clause No. of CARO Report on which is unfavorable or qualified or adverse
1	Greenpanel Industries Limited	L20100AS2017PLC018272	Holding Company	CARO Clause – ii (b)

2. As required by Section 143(3) of the Act, based on our audit and on the considerations of the report of the other auditor on separate financial statements of the subsidiary Company and branch incorporated outside India referred to in the Other Matters paragraph above we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

   (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of other auditor;

   (c) The consolidated balance sheet, the consolidated statement of profit and loss (including statement of other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023, taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 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 Holding Company, refer to our separate Report in "Annexure A" to this report;

   (g) With respect to the Other Matters to be included in the Auditors Report in accordance with the requirements of Section 197 of the Act, as amended; in our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the considerations of the reports of the other auditors on separate financial statements:

      i. The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2023 on the consolidated financial position of the Group- refer Note 37 to the Consolidated Financial Statements;

      ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts during the year ended March 31, 2023;

      iii. There was no amount required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2023;

      iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested by the Holding Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements, no funds have been received by Holding Company from any person or entity, 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 the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement. Further, Company has one subsidiary incorporated outside India, on which reporting under rule 11(e) and 11(f) of Companies (Audit & Auditors) Rules, 2014 is not applicable.

      v) The Interim dividend declared and paid during the year by the Holding Company is in compliance with section 123 of the Act.

      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 Holding Company on with effect from 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.

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

Sunil Wahal
Partner
Membership No. 087294
UDIN: 23087294BGTGTF6373

Place: New Delhi
Date: May 06, 2023

Annexure A

to the Independent Auditor's Report to the Members of Greenpanel Industries Limited dated May 06, 2023, on its Consolidated Financial Statements

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT") AS REFERRED TO IN PARAGRAPH 'F' OF 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION.

Our reporting on the internal financial controls over financial reporting is not applicable in respect of one audited subsidiary incorporated outside India.

In conjunction with our audit of the consolidated financial statement of Greenpanel Industries Limited as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of Greenpanel Industries Limited (hereinafter referred to as the 'Holding Company' or 'Company').

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

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

OTHER MATTERS

Our aforesaid report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, does not consider the subsidiary of the Company as it is incorporated outside India.

Our audit report is not qualified in respect of above matter.

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

Sunil Wahal
Partner
Membership No. 087294
UDIN: 23087294BGTGTF6373

Place: New Delhi
Date: May 06, 2023

Consolidated Balance Sheet

as at 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	Note	31 March 2023	31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	4	94,533.84	99,479.71
Capital work-in-progress	5	488.74	-
Other intangible assets	6	33.99	19.35
Right of use assets	38	4,593.55	4,318.09
Financial assets			
Other financial assets	14	2,150.67	1,696.16
Other non-current assets	13	5,290.33	93.65
Total non-current assets		**1,07,091.12**	**1,05,606.96**
Current assets			
Inventories	9	15,253.48	16,581.57
Financial assets			
Trade receivables	10	4,439.73	4,144.32
Cash and cash equivalents	11	1,327.24	5,738.42
Other bank balances	12	36,452.42	16,523.23
Loans	7	50.00	72.16
Derivatives	23	60.52	-
Other financial assets	15	3,559.23	3,645.86
Other current assets	16	2,249.17	1,923.97
Total current assets		**63,391.79**	**48,629.53**
Total assets		**1,70,482.91**	**1,54,236.49**
Equity and liabilities			
Equity			
Equity share capital	17	1,226.27	1,226.27
Other equity	18	1,18,164.55	93,938.30
Total equity		**1,19,390.82**	**95,164.57**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	12,707.86	16,517.77
Lease liabilities	38	3,035.10	2,594.15
Other financial liabilities	20	668.74	858.34
Provisions	21	1,088.68	1,109.65
Deferred tax liabilities (net)	35	10,195.98	6,824.23
Total non-current liabilities		**27,696.36**	**27,904.14**
Current liabilities			
Financial liabilities			
Borrowings	19	6,335.07	11,747.03
Lease liabilities	38	684.87	700.29
Trade payables			
total outstanding dues of micro enterprises and small enterprises	22	268.50	60.98
total outstanding dues of creditors other than micro enterprises and small enterprises	22	10,844.33	13,718.88
Derivatives	23	-	35.77
Other financial liabilities	20	1,699.14	2,138.83
Other current liabilities	24	3,288.37	2,289.04
Provisions	21	171.17	304.12
Current tax liabilities (net)	8	104.28	172.84
Total current liabilities		**23,395.73**	**31,167.78**
Total liabilities		**51,092.09**	**59,071.92**
Total equity and liabilities		**1,70,482.91**	**1,54,236.49**
Significant accounting policies	3		
The accompanying notes form an integral part of these consolidated financial statements			

As per our report of even date attached

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number.: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

Vishwanathan Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & VP-Legal

Place : Gurgaon
Dated : 6 May 2023

Place : Gurgaon
Dated : 6 May 2023

Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	Note	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations	25	1,78,285.99	1,62,503.87
Other income	26	1,935.94	895.96
Total income		**1,80,221.93**	**1,63,399.83**
Expenses			
Cost of materials consumed	27	73,668.67	66,058.84
Purchase of stock in trade	28	1,468.08	1,138.30
Changes in inventories of finished goods, work-in-progress and stock in trade	29	(558.11)	(106.42)
Employees benefits expense	30	13,972.14	12,842.81
Finance costs	31	1,904.24	1,709.81
Depreciation and amortisation expense	32	7,197.10	7,335.74
Other expenses	33	48,084.05	39,527.01
Total expenses		**1,45,736.17**	**1,28,506.09**
Profit before exceptional items and tax		34,485.76	34,893.74
Exceptional items	34	610.07	-
Profit before tax		**35,095.83**	**34,893.74**
Current tax		(6,141.49)	(5,901.97)
Earlier years tax		(19.76)	(69.39)
Deferred tax		(3,283.10)	(4,875.67)
Tax expense	35	**(9,444.35)**	**(10,847.03)**
Profit for the year after tax (V+VI)		**25,651.48**	**24,046.71**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit (liability)/asset		352.25	(196.73)
Income tax relating to items that will not be reclassified to profit or loss		(88.65)	68.75
Net other comprehensive income not to be reclassified subsequently to profit or loss		**263.60**	**(127.98)**
Items that will be reclassified subsequently to profit or loss:			
Exchange differences in translating financial statements of foreign operations		150.58	47.45
Net other comprehensive income to be reclassified subsequently to profit or loss		**150.58**	**47.45**
Other comprehensive income for the year (net of tax)		**414.18**	**(80.53)**
Total comprehensive income for the year		**26,065.66**	**23,966.18**
Earnings per equity share [Face value of equity share ₹1 each]	36		
- Basic (₹)		**20.92**	**19.61**
- Diluted (₹)		**20.92**	**19.61**
Significant accounting policies	3		
The accompanying notes form an integral part of these consolidated financial statements			

As per our report of even date attached

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number.: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

Vishwanathan Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & VP-Legal

Place : Gurgaon
Dated : 6 May 2023

Place : Gurgaon
Dated : 6 May 2023

Consolidated Statement of Changes in Equity

for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

A) EQUITY SHARE CAPITAL

Particulars	Note	Amount
Balance as at 1 April 2021		1,226.27
Issue of equity share capital during the year		-
Balance as at 31 March 2022		**1,226.27**
Issue of equity share capital during the year		-
Balance as at 31 March 2023	17	**1,226.27**

B) OTHER EQUITY

Particulars	Note	Reserves and surplus		Items of OCI	Total
		Capital reserve	Retained earnings	Exchange differences on translation	
Balance as at 1 April 2021		59,808.56	11,873.78	129.19	71,811.53
Total comprehensive income for the year ended 31 March 2022					
Profit for the year		-	24,046.71	-	24,046.71
Other comprehensive income/(loss) (net of tax)		-	(127.98)	47.45	(80.53)
Total comprehensive income		**-**	**23,918.73**	**47.45**	**23,966.18**
Dividend paid (Refer note 48)			(1,839.41)	-	(1,839.41)
Balance as at 31 March 2022		59,808.56	33,953.10	176.64	93,938.30
Balance as at 1 April 2022		**59,808.56**	**33,953.10**	**176.64**	**93,938.30**
Total comprehensive income for the year ended 31 March 2023					
Profit for the year		-	25,651.48	-	25,651.48
Other comprehensive income/(loss) (net of tax)		-	263.60	150.58	414.18
Total comprehensive income		**-**	**25,915.08**	**150.58**	**26,065.66**
Dividend paid (Refer note 48)		-	(1,839.41)	-	(1,839.41)
Balance as at 31 March 2023	18	**59,808.56**	**58,028.77**	**327.22**	**1,18,164.55**
Significant accounting policies	3				
The accompanying notes form an integral part of these consolidated financial statements					

As per our report of even date attached

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number.: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

Vishwanathan Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & VP-Legal

Place : Gurgaon
Dated : 6 May 2023

Place : Gurgaon
Dated : 6 May 2023

Consolidated Statement of Cash Flows

for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	Year ended 31 March 2023	Year ended 31 March 2022
A. Cash flows from operating activities		
Profit before tax	35,095.83	34,893.74
Adjustments for:		
Depreciation and amortisation expense	7,197.10	7,335.74
Finance costs	1,904.24	1,709.81
Write back of liability no longer required	(1,083.75)	-
Provision for doubtful debts	83.72	37.95
Loss on sale/discard of property, plant and equipment	605.14	293.21
Interest income	(1,645.09)	(481.45)
Gain on lease termination	(133.93)	-
Unrealised foreign exchange fluctuations (net)	483.48	(2,058.04)
Government grants - EPCG scheme	-	(3,379.73)
	7,410.91	**3,457.49**
Operating cash flows before working capital changes	42,506.74	38,351.23
Working capital adjustments:		
(Increase)/decrease in trade and other receivables	(2,642.83)	3,428.12
(Increase)/decrease in inventories	1,328.09	(1,645.77)
Increase/(decrease) in trade and other payables	(1,226.67)	2,236.06
	(2,541.41)	**4,018.41**
Cash generated from operating activities	39,965.33	42,369.64
Income tax paid (net)	(6,229.81)	(5,804.63)
Net cash generated from operating activities	**33,735.52**	**36,565.01**
B. Cash flows from investing activities		
Payment for property, plant and equipment (Refer note ii below)	(8,059.00)	(3,467.27)
Proceeds from sale of property, plant and equipment	30.31	102.96
Proceeds/(Investment) in fixed deposits with banks (net)	(17,953.19)	(10,578.72)
Interest received	1,198.88	301.90
Net cash used in investing activities	**(24,783.00)**	**(13,641.13)**
C. Cash flows from financing activities		
Proceeds/(Repayment) from short term borrowings (net)	(5,720.58)	5,608.23
Repayment of long term borrowings	(4,301.63)	(20,290.21)
Interest paid	(845.40)	(1,147.21)
Dividend paid	(1,839.41)	(1,839.41)
Payment of lease liabilities	(467.85)	(667.26)
Interest paid on lease liabilities	(188.83)	(157.04)
Net cash flow used in financing activities	**(13,363.70)**	**(18,492.89)**
Net (decrease)/increase in cash and cash equivalents	**(4,411.18)**	**4,430.99**
Cash and cash equivalents at 1 April 2022 (refer note 11)	5,738.42	1,307.43
Cash and cash equivalents at 31 March 2023 (refer note 11)	**1,327.24**	**5,738.42**

Consolidated Statement of Cash Flows

for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Notes:

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

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

(iii) Change in liabilities arising from financing activities:

Particulars	As on 31 March 2022	Cash flows	Foreign Exchange Differences	As on 31 March 2023
Non-current borrowings including Current maturities (Note 19)	21,057.76	(4,301.63)	800.34	17,556.47
Current Borrowings (Note 19)	7,207.04	(5,720.58)	-	1,486.46

Particulars	As on 31 March 2021	Cash flows	Foreign Exchange Differences	As on 31 March 2022
Non-current borrowings including Current maturities (Note 19)	43,089.10	(20,290.21)	(1,741.13)	21,057.76
Current Borrowings (Note 19)	1,598.81	5,608.23	-	7,207.04

As per our report of even date attached

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number.: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

Vishwanathan Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & VP-Legal

Place : Gurgaon
Dated : 6 May 2023

Place : Gurgaon
Dated : 6 May 2023

Notes

to the consolidated financial statements for the year ended 31 March 2023

1. CORPORATE INFORMATION

Greenpanel Industries Limited (‘the Holding Company’ or the ‘Company’) is a public listed company domiciled in India having its registered office situated at 'Thapar House', 2nd Floor, 163 S.P. Mukherjee Road, Kolkata-700026, India. The Company has been incorporated under the provisions of the Companies Act, 1956 and its equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company is primarily involved in manufacturing of plywood, medium density fibre board (MDF) and allied products. During the year Company has incorporated a branch at Singapore under the same trade name for marketing of its products in overseas market.

The Company has an overseas wholly owned subsidiary company namely Greenpanel Singapore Pte. Limited, incorporated in Singapore, is engaged into marketing of Medium Density Fibreboards and allied products, collectively referred to as “the Group”. This Subsidiary has ceased its operations with effect from October 2022.

2. BASIS OF PREPARATION

a. Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended, notified under Section 133 of the Companies Act, 2013 (‘Act’) and other relevant provisions of the Act.

These consolidated financial statements are authorised for issue by the Board of Directors of the Holding Company at their meeting held on 6 May 2023.

The details of the Company’s accounting policies are included in note 3.

b. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Holding Company’s functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

c. Basis of measurement

The consolidated financial statements have been prepared on historical cost basis, except for the following items:

Items	Measurement
Derivative financial instruments	Fair value
Certain financial assets and financial liabilities	Fair value
Net defined benefit (asset)/ liability	Present value of defined benefit obligations

d. Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in note 38 - lease classification.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the consolidated financial statements for the every period ended is included in the following notes:

- Note 4 – useful life and residual value of property, plant and equipment;
- Note 31 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 35 – recognition of deferred tax assets;
- Note 37 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 42 – impairment of financial assets: key assumptions used in estimating recoverable cash flows.

e. Measurement of fair values

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion

Notes

to the consolidated financial statements for the year ended 31 March 2023

that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Holding Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 41.

f. Basis of consolidation

(i) Subsidiaries

These Consolidated financial statements are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements"(Ind AS - 110), specified under Section 133 of the Companies Act, 2013.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the Consolidated financial statements from the date on which control commences until the date on which control ceases. Subsidiaries considered in the Consolidated financial statements are:

Name of the Company	Country of Incorporation	Percentage of Holding	
		Current year	Previous year
Greenpanel Singapore Pte. Limited	Singapore	100%	100%

(ii) Loss of control

When the Group losses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in consolidated statement of profit or loss.

(iii) Transactions eliminated on consolidation

The financial statements of the Holding Company and its subsidiaries used in the consolidation procedures are drawn upto the same reporting date i.e 31 March 2023.

The financial statements of the Holding Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses.

Intra-group balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated. Unrealised gains arising from transactions with subsidiaries are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Current and non-current classification

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) it is expected to be realised in, or is intended for sale or consumption in the Group's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is expected to be realised within 12 months after the reporting date; or

(iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b. (i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Group at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise, except exchange differences on long term foreign currency monetary items accounted for in accordance with exemption availed by the Company under Ind AS 101.

(ii) Foreign operations

The assets and liabilities of foreign operations (subsidiaries) like fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at an average rate.

The Group has elected not to apply Ind AS 103-Business Combinations retrospectively to past business combinations that occurred before the transition date of 1 April 2015. Consequently, the Group has kept the same classification for the past business combinations as in its previous GAAP financial statements.

When a foreign operation is disposed off in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in Other Comprehensive Income (OCI) is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to Non-controlling Interest (NCI).

c. Financial instruments

(i) Recognition and initial measurement

Trade Receivables are initially recognised when they are originated. All financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. Trade receivables are initially measured at transaction price.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue, for an item not at fair value through profit and loss (FVTPL).

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at:

- Amortised cost; or
- Fair value through Profit or Loss (FVTPL); or
- Fair value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Notes
to the consolidated financial statements for the year ended 31 March 2023

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The effective interest rate (EIR) method of amortisation is included in finance income in the Consolidated Statement of Profit and Loss. This category generally applies to long-term deposits and long-term trade receivables.

Financial assets at FVTPL

All financial assets which are not classified and measured at amortised cost or Fair value through other comprehensive income (FVOCI) as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI).

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Consolidated Statement of Profit and Loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Consolidated Statement of Profit and Loss.

Investments in subsidiaries are carried at cost in standalone financial statements.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Consolidated Statement of Profit and Loss. This category also includes derivative financial instruments

Notes
to the consolidated financial statements for the year ended 31 March 2023

entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognised in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Consolidated Statement of Profit and Loss. Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Consolidated Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Financial guarantee liabilities

Financial guarantees issued by the Group are those contracts that require payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset:

- when the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Consolidated Statement of Profit and Loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Group holds derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Consolidated Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

d. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised. If significant parts of an item of property, plant and equipment have different useful lives, then they

Notes

to the consolidated financial statements for the year ended 31 March 2023

are accounted for as separate components of property, plant and equipment.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Consolidated Statement of Profit and Loss. Property, plant and equipment under construction are disclosed as Capital work-in-progress. Assets retired from active use and held for disposal are stated at the lower of their net book value and fair value less cost to sell and shown under 'Current assets'.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation and amortisation

Depreciation and amortisation for the year is recognised in the Consolidated Statement of Profit and Loss. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method over the useful lives of assets, in the manner specified in Part C of Schedule II of the Act.

Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful life unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Freehold land is not depreciated.

Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease, except leasehold land acquired on perpetual lease.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful life as per Schedule II
Buildings	3 to 60 years
Plant and equipments	15 to 25 years
Furniture and fixtures	10 years
Vehicles	8 to 10 years
Office equipments	3 to 10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Depreciation on additions (discard/disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (discarded/disposed off).

e. Intangible assets

(i) Recognition and measurement

Intangible assets are initially measured at cost and subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Consolidated Statement of Profit and Loss.

The estimated useful lives are as follows:

Computer software - 5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, packing materials, stores and spares are measured at the lower of cost and net realisable value.

The cost of inventories is ascertained on the 'weighted average' basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Excise duty was included in the valuation of closing inventory of finished goods, till the implementation of Goods and Services Tax.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

Notes

to the consolidated financial statements for the year ended 31 March 2023

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

g. Impairment

(i) Impairment of financial instruments: financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime of the ECL. For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of the ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in Consolidated Statement of Profit and Loss.

In case of trade receivables, the Group follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including subsequent information. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g. corporate office for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss.

Notes

to the consolidated financial statements for the year ended 31 March 2023

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h. Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

i. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into Employees' Provident Fund established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions under employee provident fund to Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed quarterly by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements. The Group recognises all actuarial gains and losses arising from defined benefit plan immediately in the Consolidated Statement of Profit and Loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Such benefits are in form of leave encashment that accrue to employees in return of their service. The calculation of other long term employee benefits is performed quarterly by an independent qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). Net interest expense and other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss.

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

j. Provisions and Contingent liabilities, Contingent assets

(i) **Provision:** A provision is recognized when the Company has a present obligation (legal or constructive) as a result of 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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the assage of time is recognized as a finance cost.

(ii) **Contingent liabilities:** A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

(iii) **Contingent assets:** Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

k. Revenue

(i) Sale of goods

The Group follows Ind AS 115 "Revenue from Contracts with Customers".

The Group manufactures and sells in plywood and allied products, medium density fibreboard and allied products. Sales are recognised when control of the products has transferred, being when the products are delivered to the dealer, the dealer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the dealer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have been transferred to the dealer, and either the dealer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The products are often sold with volume discounts based on aggregate sales over a 12 months period, cash discount on payment within specified period, promotional gift on achieving specific targets, quality claims if claims made in the specified period and other promotional expenses such as tours and travel

Notes

to the consolidated financial statements for the year ended 31 March 2023

packages to dealer, etc. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts, cash discounts, quality claims and promotional expenses. Accumulated experience is used to estimate and provide for the discounts/claims/provisions, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (netted off with trade receivables) is recognised for expected volume discount payables, expected cash discount payables and expected quality claims to dealers in relation to sale made until the end of reporting period. Provision (included in other current liabilities) is recognised for expected sales promotional expenses against the sales made until the end of reporting period. No element of financing is deemed present as the sales are made with a credit term of 30-90 days, which is consistent with market practice.

(ii) Rental income

Rental income is recognised as part of other income on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

(iii) Insurance claim

Insurance claim due to uncertainty in realisation are accounted for on acceptance basis.

l. Government Grants

Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached thereto.

Government grants related to revenue are recognised in the Consolidated Statement of Profit and Loss on a systematic and rational basis in the periods in which the Company recognises the related costs for which the grants are intended to compensate and are netted off with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Income".

Government grants relating to property, plant and equipment are treated as deferred income and are credited to the statement of profit and loss on a systematic basis over the expected useful life of the related asset to match them with the costs for which they are intended to compensate and presented within other income.

m. Leases

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

(ii) Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

The Group has adopted Ind AS 116, Leases from 1 April 2019. Ind AS 116 is a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Group has recognised new assets and liabilities for its operating leases of land and office premises facilities. The nature of expenses related to those leases has now changed because the Group has recognised a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Group recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

(iii) Lease payments

Payments made under operating leases are generally recognised in Consolidated Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

n. Recognition of dividend income, interest income or expense

Dividend income is recognised in Consolidated Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

o. Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (tax base). Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary

Notes

to the consolidated financial statements for the year ended 31 March 2023

differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

In case of tax payable as Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961, the credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

p. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest."

q. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

r. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Group.

s. Cash and cash equivalents

Cash and cash equivalents include cash and cash-on-deposit with banks. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

t. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

u. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

v. Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The CODM consists of the Executive Chairman, Managing Director & CEO and Chief Financial Officer.

Notes

to the consolidated financial statements for the year ended 31 March 2023

The Group has currently two reportable segments namely:

i) Plywood and allied products, and

ii) Medium density fibreboards and allied products

w. Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Non-derivative financial assets

Non-derivative financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL. Investments in quoted equity instruments are measured at FVTPL.

(ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iii) Derivative financial liabilities

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

(iv) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

x. Accounting Standard not yet effective

Recent pronouncements Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company does not expect this amendment to have any significant impact in its financial statements.

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

4. PROPERTY, PLANT AND EQUIPMENT

(a) Reconciliation of carrying amount

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost (Gross carrying amount)							
Balance at 1 April 2021	5,535.46	13,255.31	1,14,296.77	3,150.82	2,723.34	1,382.42	1,40,344.12
Additions	1.86	307.62	3,286.30	50.18	78.53	83.07	3,807.56
Disposals/ discard	-	(2.79)	(1,251.03)	(16.44)	(185.52)	(5.07)	(1,460.85)
Exchange differences on translation of foreign operations	-	-	-	8.05	32.08	1.44	41.57
Balance at 31 March 2022	**5,537.32**	**13,560.14**	**1,16,332.04**	**3,192.61**	**2,648.43**	**1,461.86**	**1,42,732.40**
Balance at 1 April 2022	5,537.32	13,560.14	1,16,332.04	3,192.61	2,648.43	1,461.86	1,42,732.40
Additions	-	175.15	1,022.14	227.86	500.54	162.35	2,088.04
Disposals/ discard	(1.13)	(738.59)	(1,629.71)	(353.30)	(666.11)	(251.02)	(3,639.86)
Exchange differences on translation of foreign operations	-	-	-	14.39	54.42	2.56	71.37
Balance at 31 March 2023	**5,536.19**	**12,996.70**	**1,15,724.47**	**3,081.56**	**2,537.28**	**1,375.75**	**1,41,251.95**
Accumulated depreciation							
Balance at 1 April 2021	-	3,400.51	31,096.01	1,204.53	1,244.81	832.97	37,778.83
Depreciation for the year	-	596.32	5,210.09	302.36	250.08	162.26	6,521.11
Adjustments/ disposals	-	(2.65)	(927.50)	(4.53)	(127.03)	(3.79)	(1,065.50)
Exchange differences on translation of foreign operations	-	-	-	6.89	10.19	1.17	18.25
Balance at 31 March 2022	**-**	**3,994.18**	**35,378.60**	**1,509.25**	**1,378.05**	**992.61**	**43,252.69**
Balance at 1 April 2022	-	3,994.18	35,378.60	1,509.25	1,378.05	992.61	43,252.69
Depreciation for the year	-	631.52	5,098.59	294.12	256.15	155.89	6,436.27
Adjustments/ disposals	-	(695.44)	(997.72)	(326.97)	(748.33)	(235.95)	(3,004.41)
Exchange differences on translation of foreign operations	-	-	-	13.18	18.07	2.31	33.56
Balance at 31 March 2023	**-**	**3,930.26**	**39,479.47**	**1,489.58**	**903.94**	**914.86**	**46,718.11**
Carrying amounts (net)							
At 31 March 2022	5,537.32	9,565.96	80,953.44	1,683.36	1,270.38	469.25	99,479.71
At 31 March 2023	**5,536.19**	**9,066.44**	**76,245.00**	**1,591.98**	**1,633.34**	**460.89**	**94,533.84**

(b) Security

As at 31 March 2023, property, plant and equipment with a carrying amount of ₹**94,322.97 lakhs** (31 March 2022: ₹98,664.75 lakhs) are subject to first charge to secured borrowings (see Note 19).

5. CAPITAL WORK-IN-PROGRESS

	As at 31 March 2023	As at 31 March 2022
At the beginning of the year	-	358.40
Additions during the year	1,667.48	2,844.82
Capitalised during the year	1,178.74	3,203.22
At the end of the year	**488.74**	**-**
Capital work-in-progress includes:		
Expenditure incurred during construction period on new manufacturing facility of the Company:		
At the beginning of the year	-	-
Additions during the year:		
Insurance Expenses	56.90	-
Legal and professional fees	54.28	-
Finance costs	27.37	-
	138.55	**-**
Less: Capitalised during the year	-	-
At the end of the year	**138.55**	**-**

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Ageing Schedule	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at 31 March 2023					
Projects in progress	488.74	-	-	-	488.74
As at 31 March 2022					
Projects in progress	-	-	-	-	-

Notes:

(a) As at 31 March 2023, general borrowing costs capitalised during the year amounted to ₹ **Nil** (31 March 2022: ₹ Nil)

(b) As at 31 March 2023, property, plant and equipment under capital work-in-progress with a carrying amount of **₹488.74 lakhs** (31 March 2022: ₹ Nil) are subject to first charge to secured borrowings (see Note 19).

(c) There is no capital work-in-progress whose completion is overdue as on relevant reporting period.

6. OTHER INTANGIBLE ASSETS

(a) Reconciliation of carrying amount

	Software
Cost (Gross carrying amount)	
Balance at 1 April 2021	51.75
Additions	11.76
Disposals/write-off	(11.49)
Balance at 31 March 2022	**52.02**
Balance at 1 April 2022	52.02
Additions	23.62
Disposals/write-off	(30.26)
Balance at 31 March 2023	**45.38**
Accumulated amortisation	
Balance at 1 April 2021	34.27
Amortisation for the year	9.07
Adjustments/ disposals	(10.67)
Balance at 31 March 2022	**32.67**
Balance at 1 April 2021	32.67
Amortisation for the year	8.98
Adjustments/ disposals	(30.26)
Balance at 31 March 2023	**11.39**
Carrying amounts (net)	
At 31 March 2022	19.35
At 31 March 2023	**33.99**

7. LOANS

	As at 31 March 2023	As at 31 March 2022
(Unsecured, considered good)		
Current		
Loan to employees	50.00	72.16

8. CURRENT TAX LIABILITIES

	As at 31 March 2023	As at 31 March 2022
Income tax liabilities (net of advance tax)	104.28	172.84

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

9. INVENTORIES

	As at 31 March 2023	As at 31 March 2022
(Valued at the lower of cost and net realisable value)		
Raw materials	3,475.48	7,459.85
Work-in-progress	1,311.72	2,126.24
Finished goods	5,343.50	3,997.28
[including in transit ₹**1,928.48 lakhs** (31 March 2022 ₹1,949.40 lakhs)]		
Stock in trade	58.41	32.00
Stores and spares	5,064.37	2,966.20
[including in transit ₹**255.43 lakhs** (31 March 2022 ₹ Nil)]		
	15,253.48	**16,581.57**

Total carrying amount of inventories is pledged as securities against borrowings, refer note 19.

The write-down of inventories to net realisable value during the year amounting to **₹ Nil** (31 March 2022: ₹ Nil).

10. TRADE RECEIVABLES

	As at 31 March 2023	As at 31 March 2022
Current		
Unsecured		
- Considered good	4,439.73	4,144.32
- Credit Impaired	277.41	193.69
	4,717.14	**4,338.01**
Less: Loss for allowances		
- Credit Impaired	(277.41)	(193.69)
Net trade receivables	**4,439.73**	**4,144.32**
Of the above		
Trade receivables from related parties (Refer Note 39)	6.81	28.12

Ageing Schedule	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at 31 March 2023							
Undisputed trade receivables (considered good)	3,448.29	1,177.96	45.57	27.11	8.13	10.08	4,717.14
Expected credit loss (Provision for doubtful debts)	(45.63)	(140.89)	(45.57)	(27.11)	(8.13)	(10.08)	(277.41)
Carrying amount (net of impairment)	**3,402.66**	**1,037.07**	-	-	-	-	**4,439.73**
As at 31 March 2022							
Undisputed trade receivables (considered good)	3,287.93	963.20	44.89	21.74	9.03	11.22	4,338.01
Expected credit loss (Provision for doubtful debts)	(32.09)	(74.72)	(44.89)	(21.74)	(9.03)	(11.22)	(193.69)
Carrying amount (net of impairment)	**3,255.84**	**888.48**	-	-	-	-	**4,144.32**

Notes:

(a) No trade or other receivables are due from directors or other officers of the group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member, except as mentioned above.

(b) Information about the group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 42. Provision as disclosed above is on case to case basis as identified by the management.

(c) For terms and conditions of trade receivables owing from related parties, see note 39.

(d) For receivables secured against borrowings, see note 19.

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

11. CASH AND CASH EQUIVALENTS

	As at 31 March 2023	As at 31 March 2022
Cash on hand	4.22	18.97
Balances with banks		
- On current accounts	1,323.02	1,106.62
- On deposit accounts (with original maturities up to 3 months)	-	4,612.83
	1,327.24	**5,738.42**

12. OTHER BANK BALANCES

	As at 31 March 2023	As at 31 March 2022
Bank deposits due to mature after 3 months of original maturities but within 12 months of the reporting date*	36,449.85	16,522.66
Earmarked balances with banks for unpaid dividend accounts	2.57	0.57
	36,452.42	**16,523.23**

* a) Pledged/lodged with various government authorities as security [**₹55.44 lakhs** (31 March 2022 ₹52.76 lakhs)].

b) Fixed deposit of **₹3,347.93 lakhs** (31 March 2022 ₹3,200 lakhs) in the form of Debt Service Reserve Account (DSRA) pledged in favour of LBBW Bank (refer note 19).

13. OTHER NON-CURRENT ASSETS

	As at 31 March 2023	As at 31 March 2022
(Unsecured, considered good)		
Capital advances*	5,256.83	52.80
Others		
Unmatured finance charges	-	4.19
Deposits against demand under appeal and/or under dispute	33.50	36.66
	5,290.33	**93.65**

*New MDF plant at existing manufacturing unit in Chittoor, Andhra Pradesh, India with an additional installed capacity of 2,31,000 CBM per annum had been approved by the Board of Directors. The additional capacity will increase MDF production capacity of the company from 6,60,000 CBM per annum to 8,91,000 CBM per annum, an increase of 35% over existing capacity. The estimated project cost is ₹600 crores (Rupees Six hundred crores) which shall be funded by a mix of internal accruals and debt. The commercial production of the plant is expected to begin during Q1FY2025. Contracts with the principal Process Equipment Suppliers and contract for the Engineering Consultancy Services have been signed off. Civil work of the said project has begun. Advance payments to the vendors for the project have been made to the extent of ₹50 crores.

14. OTHER FINANCIAL ASSETS

	As at 31 March 2023	As at 31 March 2022
Non-Current		
Security deposits	2,150.67	1,696.16

15. OTHER FINANCIAL ASSETS

	As at 31 March 2023	As at 31 March 2022
Current		
Government grants receivable*	3,444.65	3,444.65
Export incentive receivable	46.55	99.80
Insurance claim receivable	16.63	63.90
Security deposits	51.40	37.51
	3,559.23	**3,645.86**

*Based on the legal opinion the Company has decided to defer the recognition until receipt or until the Company has some evidence which gives high level of assurance. In view of this the Company has not recognized ₹431.87 lakhs of power subsidy for October 2021 to March 2022, ₹835.73 lakhs of power subsidy for April 2022 to March 2023, ₹5,000 lakhs for Green measures subsidy and ₹368 lakhs for land conversion and stamp duty subsidy in spite of approval being received. Only approval for power subsidy for October 2022 to March 2023 is not yet received. The said subsidies are in relation to manufacturing plant at Chittoor, Andhra Pradesh. The management is hopeful of recovering the outstanding amounts appearing in the books as being due from Government of Andhra Pradesh.

Notes

to the consolidated financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

16. OTHER CURRENT ASSETS

	As at 31 March 2023	As at 31 March 2022
(Unsecured, considered good)		
To parties other than related parties		
Advances for supplies	1,143.04	899.90
Advances to employees	-	10.84
Others		
Prepaid expenses	946.17	859.40
Unmatured finance charges	-	5.63
Assets held for sale	-	50.00
Balance with goods and service tax authorities	159.96	98.20
	2,249.17	**1,923.97**

17. EQUITY SHARE CAPITAL

	As at 31 March 2023	As at 31 March 2022
Authorised		
15,00,00,000 (31 March 2022: 15,00,00,000) equity shares of ₹1 each	**1,500.00**	**1,500.00**
Issued, subscribed and fully paid-up		
12,26,27,395 (31 March 2022: 12,26,27,395) equity shares of ₹1 each	**1,226.27**	**1,226.27**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
At the commencement of the year	12,26,27,395	1,226.27	12,26,27,395	1,226.27
Changes during the year	-	-	-	-
At the end of the year	**12,26,27,395**	**1,226.27**	**12,26,27,395**	**1,226.27**

(b) Rights, preferences and restrictions attached to equity shares

The Holding Company has a single class of equity shares with par value of ₹1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Holding Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Holding Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture. On winding up of the Holding Company, the holders of equity shares will be entitled to receive the residual assets of the Holding Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

(c) Particulars of shareholders holding more than 5% shares of fully paid up equity shares

Equity shares of ₹1 each	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
S. M. Management Pvt. Ltd.	**3,16,26,965**	**25.79%**	3,16,26,965	25.79%
Prime Holdings Pvt. Ltd.	**1,33,32,800**	**10.87%**	1,33,32,800	10.87%
Shobhan Mittal	**1,05,88,380**	**8.63%**	1,05,88,380	8.63%
HDFC Trustee Company Ltd.	**68,89,253**	**5.62%**	70,75,538	5.77%

Notes

to the consolidated financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

(d) Details of shares held by promoters

As at 31 March 2023	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹1 each	Mr. Shiv Prakash Mittal	46,04,900	-	46,04,900	3.76%	-
	Mr. Shobhan Mittal	1,05,88,380	-	1,05,88,380	8.63%	-

As at 31 March 2022	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹1 each	Mr. Shiv Prakash Mittal	7,55,000	38,49,900	46,04,900	3.76%	3.14%
	Mr. Shobhan Mittal	1,05,88,380	-	1,05,88,380	8.63%	-

(e) The Holding Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/ disinvestment.

(f) The Holding Company for the period of five years immediately preceding the reporting date has not:

(i) Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.

(ii) Allotted fully paid up shares by way of bonus shares.

(iii) Bought back any class of shares.

18. OTHER EQUITY

	As at 31 March 2023	As at 31 March 2022
Capital reserve		
At the commencement of the year	59,808.56	59,808.56
	59,808.56	**59,808.56**
Retained earnings		
At the commencement of the year	33,953.10	11,873.78
Add: Profit for the year	25,651.48	24,046.71
Less: Interim dividend on equity shares	1,839.41	1,839.41
Add: Remeasurements of the net defined benefit plans	263.60	(127.98)
	58,028.77	**33,953.10**
Other comprehensive income (OCI)		
At the commencement of the year	176.64	129.19
Exchange differences in translating financial statements of foreign operations	150.58	47.45
	327.22	**176.64**
	1,18,164.55	**93,938.30**

(a) Description, nature and purpose of reserve:

(i) **Capital reserve:** The capital reserve is created on account of the net assets transferred pursuant to the scheme of arrangement

(ii) **Retained earnings:** It comprises of accumulated profit/ (loss) of the Group.

Notes

to the consolidated financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

19. BORROWINGS

	As at 31 March 2023	As at 31 March 2022
Non-current borrowings		
Secured		
Term loans		
From banks		
Foreign currency loans	15,256.47	17,994.91
Rupee loans	2,300.00	2,947.87
	17,556.47	**20,942.78**
Less: Current maturities of long term borrowings	4,848.61	4,497.05
	12,707.86	**16,445.73**
Loan against vehicles	-	114.98
Less: Current maturities of loan against vehicles	-	42.94
	-	**72.04**
	12,707.86	**16,517.77**
Current borrowings		
Secured		
From banks		
Current maturities of long term borrowings	4,848.61	4,497.05
Current maturities of loan against vehicles and equipment	-	42.94
Foreign currency loan - buyers credit	-	843.55
Foreign currency loan - buyers credit - capital goods	1,486.46	1,112.44
Rupee loans - repayable on demand	-	5,251.05
	6,335.07	**11,747.03**

Information about the Group's exposure to credit and currency risks, and loss allowances related to borrowings are disclosed in note 42.

(A) Terms of repayment

Name of the lender	Interest rate	Repayment schedule	Year of maturity	As at 31 March 2023	As at 31 March 2022
(i) Foreign currency term loans					
Landesbank Baden-Wurttenberg [**EUR 173.74 lakhs** (31 March 2022: EUR 222.29 lakhs)]	6 month Euribor +0.50%	Repayable at half yearly rest: 7 of EUR 22.27 lakhs & 1 of EUR 17.82 lakhs	2026-27	15,464.10	18,638.79
				15,464.10	**18,638.79**
Unamortised processing fees				(207.63)	(643.88)
				15,256.47	**17,994.91**
(ii) Rupee term loans					
HDFC Bank Limited	Monthly MCLR	Repayable at quarterly rest: 4 of ₹325 lakhs & 4 of ₹250 lakhs	2024-25	2,300.00	2,950.00
				2,300.00	**2,950.00**
Unamortised processing fees				-	(2.13)
				2,300.00	**2,947.87**
Total				**17,556.47**	**20,942.78**

Notes

to the consolidated financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

(B) Details of security

(a) Term loan from Landesbank Baden-Wurttenberg (LBBW) of **₹15,464.10 lakhs** (31 March 2022: ₹18,638.79 lakhs) is secured by exclusive charge on:

i) Main press line of MDF plant at Chittoor, Andhra Pradesh along with other movable fixed assets financed by Landesbank Baden-Wurttenberg

ii) Exclusive charge over main press line of MDF plant at Pantnagar (Uttarakhand)

iii) Fixed deposit of **₹3,347.93 lakhs** (31 March 2022: ₹3,200 lakhs) in the form of Debt Service Reserve Account (DSRA) pledged in favour of LBBW Bank (LBBW Bank's stipulation is to maintain DSRA in INR equivalent to EUR 35,90,747.68)

(b) Other term loan of **₹2,300 lakhs** (31 March 2022: ₹2,950.00 lakhs) is secured by:

(i) First pari passu charge on immovable fixed assets of the Holding Company located at manufacturing units in Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(ii) First pari passu charge on all movable fixed assets of the Holding Company except assets exclusively charged to other lender(s) (including the main press line of MDF plant at Pantnagar and the main press line of MDF plant at Chittor (Andhra Pradesh) along with any other movable fixed assets exclusively charged to Landesbank Baden-Wurttenberg).

(iii) Second pari passu charge on all current assets of the Holding Company.

(c) Working capital loans of **₹ Nil** (31 March 2022: ₹5,251.05 lakhs) are secured by:

(i) First pari passu charge on all current assets of the Holding Company.

(ii) Second pari passu charge on immovable fixed assets of the Holding Company located at manufacturing units in Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(iii) Second pari passu charge on all movable fixed assets of the Holding Company except assets exclusively charged to other lender(s) (including the main press line of MDF plant at Pantnagar and the main press line of MDF plant at Chittor (Andhra Pradesh) along with any other movable fixed assets exclusively charged to Landesbank Baden-Wurttenberg).

(d) Foreign currency loan - buyers credit - capital goods of **₹1,486.46 lakhs** (31 March 2022: ₹1,112.44 lakhs) is secured by SBLC issued by banks, is further secured by way of hypothecation of fixed assets purchased against the said SBLC.

(e) Foreign currency loan - buyers credit of **₹ Nil** (31 March 2022: ₹843.55 lakhs) is secured by SBLC issued by banks, which is further secured by the same security as working capital loans (as mentioned in para "c" above), as this facility is a sublimit of working capital loans.

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

20. OTHER FINANCIAL LIABILITIES

	As at 31 March 2023	As at 31 March 2022
Non-current		
Security deposits from customers	668.74	858.34
	668.74	**858.34**
Current		
Interest accrued but not due on borrowings	195.46	43.58
Liability for capital goods	30.10	284.67
Employee benefits payable	1,433.74	1,810.01
Liability for CSR Expenses (refer note 33(ii))	37.27	-
Unclaimed dividend	2.57	0.57
	1,699.14	**2,138.83**

(a) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31 March 2023.

(b) Information about the Group's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in note 42.

21. PROVISIONS

	As at 31 March 2023	As at 31 March 2022
Non-current		
Provisions for employee benefits:		
Net defined benefit liability - gratuity (refer note 30)	872.16	918.68
Liability for compensated absences	216.52	190.97
	1,088.68	**1,109.65**
Current		
Provisions for employee benefits:		
Net defined benefit liability - gratuity (refer note 30)	118.99	269.93
Liability for compensated absences	52.18	34.19
	171.17	**304.12**

22. TRADE PAYABLES

	As at 31 March 2023	As at 31 March 2022
Dues to micro and small enterprises (Refer note 46)	268.50	60.98
Dues to other than micro and small enterprises	10,844.33	13,718.88
	11,112.83	**13,779.86**
Of the above		
Trade payables to related parties (Refer Note 39)	-	1.28

Ageing Schedule	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at 31 March 2023						
Dues to micro and small enterprises	268.50	-	-	-	-	**268.50**
Dues to other than micro and small enterprises	9,394.75	1,449.58	-	-	-	**10,844.33**
Total	**9,663.25**	**1,449.58**	**-**	**-**	**-**	**11,112.83**
As at 31 March 2022						
Dues to micro and small enterprises	60.98	-	-	-	-	**60.98**
Dues to other than micro and small enterprises	12,399.13	1,309.43	10.32	-	-	**13,718.88**
Total	**12,460.11**	**1,309.43**	**10.32**	**-**	**-**	**13,779.86**

Information about the Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 42.

23. DERIVATIVES

	As at 31 March 2023	As at 31 March 2022
Current		
Foreign exchange forward contracts	(60.52)	35.77
(Asset)/Liability	**(60.52)**	**35.77**

Information about the Group's exposure to interest rate and currency risks related to derivatives is disclosed in note 42.

24. OTHER CURRENT LIABILITIES

	As at 31 March 2023	As at 31 March 2022
Statutory dues	951.16	1,361.48
Advance from customers	2,337.21	927.56
	3,288.37	**2,289.04**

25. REVENUE FROM OPERATIONS

	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products		
Finished goods	1,75,877.40	1,57,153.87
Stock-in-trade	1,977.63	1,420.28
	1,77,855.03	**1,58,574.15**
Other operating revenue		
Government grants - EPCG scheme	-	3,379.73
Export incentives	389.27	395.65
Miscellaneous income	41.69	154.34
	430.96	**3,929.72**
	1,78,285.99	**1,62,503.87**
Reconciliation of revenue from sale of products with the contracted price		
Contracted price	1,86,586.17	1,66,434.76
Less : Trade discounts, volume rebates etc.	(8,731.14)	(7,860.61)
Sale of products	**1,77,855.03**	**1,58,574.15**

Notes

to the consolidated financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Disaggregated revenue information

The disaggregation of the Group's revenue from contracts with customers as under:

Segment	Year ended 31 March 2023		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Type of Goods			
Finished goods	22,419.33	1,53,458.07	1,75,877.40
Stock-in-trade	1,977.63	-	1,977.63
Sale of products	**24,396.96**	**1,53,458.07**	**1,77,855.03**
Revenue by geography			
- India	24,396.96	1,28,712.86	1,53,109.82
- Outside India	-	24,745.21	24,745.21
Total revenue from contracts with customers	**24,396.96**	**1,53,458.07**	**1,77,855.03**

Segment	Year ended 31 March 2022		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Type of Goods			
Finished goods	24,173.57	1,32,980.30	1,57,153.87
Stock-in-trade	1,420.28	-	1,420.28
Sale of products	**25,593.85**	**1,32,980.30**	**1,58,574.15**
Revenue by geography			
- India	25,593.85	1,09,714.55	1,35,308.40
- Outside India	-	23,265.75	23,265.75
Total revenue from contracts with customers	**25,593.85**	**1,32,980.30**	**1,58,574.15**

The reconciliation of the revenue from contracts with customers and other operating revenue is given below :

Segment	Year ended 31 March 2023		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Sale of goods			
- External customers	24,396.96	1,53,458.07	1,77,855.03
- Inter-segment	-	-	-
Other operating revenue	5.37	425.59	430.96
	24,402.33	**1,53,883.66**	**1,78,285.99**
Inter-segment elimination	-	-	-
Less: Other operating revenue	(5.37)	(425.59)	(430.96)
Total revenue from contracts with customers	**24,396.96**	**1,53,458.07**	**1,77,855.03**

Segment	Year ended 31 March 2022		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Sale of goods			
- External customers	25,593.85	1,32,980.30	1,58,574.15
- Inter-segment	-	-	-
Other operating revenue	30.08	3,899.64	3,929.72
	25,623.93	**1,36,879.94**	**1,62,503.87**
Inter-segment elimination	-	-	-
Less: Other operating revenue	(30.08)	(3,899.64)	(3,929.72)
Total revenue from contracts with customers	**25,593.85**	**1,32,980.30**	**1,58,574.15**

Notes

to the consolidated financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

a) The Group presented disaggregated revenue based on the type of goods sold to customers and location of customers. The Group's revenue is recognised for goods transferred at a point in time. The Group believes that the above disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are effected by industry, market and other economic factors. Segment wise nature, amount, timing and uncertainty of revenues and cash flows are described below:

Nature of goods or services	The Group manufactures and sales, plywood and other plywood-related allied products such as veneer, doors, etc, Medium Density Fibre Board and allied products such as fibre board, plank, etc.
When revenue is recognised	**For Domestic Customer :** Revenue is typically recognised when the goods are delivered to the customer's warehouses. **For Export Customer :** Revenue is typically recognised on the receipt of bill of lading.
Significant payment terms	Payment is received as per the agreed payment terms with customer.
Obligations for returns and refunds, if any	Customers have the right to return the goods to the Group, if the customers are dissatisfied with the quality of product which is determined on a case to case basis by the Group.

b) For contract assets i.e. trade receivables refer Note 11 and for contract liabilities i.e. advance from customers refer Note 24.

c) The amount of revenue from contracts with customers recognised in the statement of profit and loss is the contracted price.

26. OTHER INCOME

	Year ended 31 March 2023	Year ended 31 March 2022
Interest on fixed deposits with banks and others	1,645.09	481.45
Rental income	1.20	1.35
Gain on sale/discard of property, plant and equipment	122.98	-
Gain on lease termination	133.93	-
Foreign exchange fluctuations	30.21	379.03
Miscellaneous income	2.53	34.13
	1,935.94	**895.96**

27. COST OF MATERIALS CONSUMED

	Year ended 31 March 2023	Year ended 31 March 2022
Inventory of raw materials at the beginning of the year	7,459.85	6,389.37
Add: Purchases	69,684.30	67,129.32
Less: Inventory of raw materials at the end of the year	(3,475.48)	(7,459.85)
	73,668.67	**66,058.84**

28. PURCHASE OF STOCK IN TRADE

	Year ended 31 March 2023	Year ended 31 March 2022
Purchase of traded goods	1,468.08	1,138.30

29. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

	Year ended 31 March 2023	Year ended 31 March 2022
Opening inventories		
Work-in-progress	2,126.24	1,735.16
Stock in trade	32.00	54.93
Finished goods	3,997.28	4,259.01
	6,155.52	**6,049.10**
Closing inventories		
Work-in-progress	1,311.72	2,126.24
Stock in trade	58.41	32.00
Finished goods	5,343.50	3,997.28
	6,713.63	**6,155.52**
	(558.11)	**(106.42)**

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

30. EMPLOYEES BENEFITS EXPENSE

	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages, bonus, etc.	12,456.73	11,542.77
Contribution to provident and other funds	759.73	657.91
Expenses related to post-employment defined benefit plan	236.22	232.30
Expenses related to compensated absences	347.46	268.89
Staff welfare expenses	172.00	140.94
	13,972.14	**12,842.81**

Salaries, wages, bonus, etc. includes ₹**1,150.40 lakhs** (31 March 2022 ₹1,044.43 lakhs) relating to outsource manpower cost.

Notes:

(a) **Defined contribution plan:** Employee benefits in the form of provident fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

(b) **Defined benefit plan:** Retirement benefits in the form of gratuity is considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

(c) **Actuarial valuation of gratuity liability**

	Year ended 31 March 2023	Year ended 31 March 2022
Defined benefit cost		
Current service cost	151.82	177.26
Interest expense on defined benefit obligation	84.39	55.04
Defined benefit cost in Statement of Profit and Loss	**236.21**	**232.30**
Remeasurements from financial assumptions	(14.65)	(6.42)
Remeasurements from experience adjustments	(337.60)	203.15
Defined benefit cost in Other Comprehensive Income (OCI)	**(352.25)**	**196.73**
Total defined benefit cost in Statement of Profit and Loss and OCI	**(116.04)**	**429.03**
Movement in defined benefit obligation		
Balance at the beginning of the year	1,188.61	797.59
Current service cost	151.82	177.26
Interest cost	84.39	55.04
Actuarial (gains)/losses recognised in other comprehensive income	(352.25)	196.73
Benefits paid	(81.42)	(38.01)
Balance at the end of the year	**991.15**	**1,188.61**
Sensitivity analysis		
Salary escalation - Increase by 1%	1,090.66	1,297.88
Salary escalation - Decrease by 1%	908.98	1,094.44
Withdrawal rates - Increase by 1%	1,002.80	1,192.45
Withdrawal rates - Decrease by 1%	982.71	1,183.60
Discount rates - Increase by 1%	908.18	1,096.82
Discount rates - Decrease by 1%	1,094.04	1,296.23
Actuarial assumptions		
Mortality table	IALM 2012-2014	IALM 2012-2014
Discount rate (per annum)	7.40%	7.10%
Rate of escalation in salary (per annum)	6.00%	6.00%
Withdrawal rate	1% - 8%	1% - 8%
Weighted average duration of defined benefit obligation (in years)	4.75	4.39

(d) Amount incurred as expense for defined contribution to Provident Fund is ₹**686.14 lakhs** (31 March 2022 ₹576.21 lakhs).

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

31. FINANCE COSTS

	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on financial liabilities measured at amortised cost	661.94	1,122.94
Interest expense on lease liabilities	188.83	157.04
Exchange difference regarded as an adjustment to borrowing cost	875.08	-
Other borrowing cost	178.39	429.83
	1,904.24	**1,709.81**

32. DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation of property, plant and equipment	6,436.27	6,521.11
Depreciation of right to use asset	751.85	805.56
Amortisation of intangible assets	8.98	9.07
	7,197.10	**7,335.74**

33. OTHER EXPENSES

	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of stores and spares	2,393.27	2,036.13
Power and fuel	19,197.16	14,228.58
Rent	462.29	337.88
Repairs to:		
- buildings	78.16	383.18
- plant and equipment	1,747.68	1,653.72
- others	509.20	479.46
Insurance	878.74	746.36
Rates and taxes	121.08	81.49
Travelling expenses	2,023.75	835.07
Freight and delivery expenses	8,444.46	8,003.00
Export expenses	5,171.60	4,923.96
Advertisement and sales promotion	2,391.78	1,823.17
Commission	114.26	184.50
Directors sitting fees and commission	59.60	18.40
Payment to auditors [refer note 33 (i) below]	51.52	41.95
Expenditure on corporate social responsibility [refer note 33 (ii) below]	268.88	124.61
Loss on sale/discard of property, plant and equipment	254.44	293.21
Provision for doubtful debts	83.72	37.95
Miscellaneous expenses	3,832.46	3,294.39
	48,084.05	**39,527.01**
33 (i) Payment to auditors		
As auditors:		
- Statutory audit	46.61	37.12
- Tax audit	-	-
- Limited review of quarterly results	3.90	3.90
In other capacity		
- Certification fees	0.69	0.93
- Other services	-	-
Reimbursement of expenses	0.32	-
	51.52	**41.95**

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	Year ended 31 March 2023	Year ended 31 March 2022
33 (ii) Expenditure on corporate social responsibility		
Amount required to be spent by the company during the year	268.88	76.49
Amount of expenditure incurred	231.61	124.61
Shortfall at the end of year for which provision has been created	37.27	-
Total of previous years shortfall	-	-
Nature of CSR Activities		
Plantation activities	152.56	-
Government schools	49.06	23.69
Medical services	6.99	13.97
Art & culture preservation	10.00	-
Providing of scooters to disabled persons	13.00	-
Support in covid pandemic	-	82.49
Carpentary training	-	4.46
	231.61	**124.61**

34. EXCEPTIONAL ITEMS

	Year ended 31 March 2023	Year ended 31 March 2022
Write back of liability no longer required	(1,083.75)	-
Loss on transfer of plant and machinery	473.68	-
	(610.07)	**-**

a) **Write back of liability no longer required:** The Hon'ble Supreme Court of India vide its Order dated 22 April 2020 upheld the Special Leave Petition filed by the Union of India & Others in Civil Appeal Nos.2256-2263 of 2020 arising out of S.L.P. (C) Nos. 28194-28201/2010 in respect of availing of area based exemption under Central Excise in respect of manufacturing unit of Greenply Industries Limited (Greenply) at Tizit, Nagaland. Greenply may have to refund maximum principal amount upto ₹2,709.36 lakhs in respect of excess refund received from the Excise Department for the period from 1 April 2008 to 30 June 2017. However, as per Clause No. 4.3.6 of the Composite Scheme of Arrangement between Greenply and the Holding Company duly approved by the Hon'ble National Holding Company Law Tribunal, Guwahati Bench on 28 June 2019, the above principal amount of ₹2,709.36 lakhs along with interest, if any, shall be shared by Greenply and the Holding Company. The Holding Company had considered the possible outflow of ₹1,083.74 lakhs i.e. 40% of ₹2,709.36 lakhs as liability, based on the legal opinion and facts of present circumstances. However, as per the said Composite Scheme of Arrangement, the liability could only have been materialised upto 31 March 2022, post which the Holding Company was not required to pay the same. Since there has been no demand for payment of said liability, and the time has also elapsed, the Holding Company has reversed the said liability of ₹1,083.74 lakhs.

b) **Loss on transfer of plant and machinery:** The Electricity switching station & transmission infrastructure at the plant at Chittor, Andhra Pradesh, has been transferred by way of Gift in favour of M/s Transmission Corporation of Andhra Pradesh Limited. The Holding Company has written off the said asset from its books of accounts on 6 July 2022 and the carrying value on that date amounting to ₹473.68 lakhs was debited to the Statement of Profit and Loss.

35. INCOME TAX

	Year ended 31 March 2023	Year ended 31 March 2022
(a) Amount recognised in Profit and Loss		
Current tax	6,141.49	5,901.97
Earlier years tax	19.76	69.39
Income tax	**6,161.25**	**5,971.36**
Deferred tax	(3,472.74)	8,964.16
Mat credit	6,755.84	(4,088.49)
Deferred tax	**3,283.10**	**4,875.67**
Tax expense in Statement of Profit and Loss	9,444.35	10,847.03
Deferred tax in other comprehensive income	88.65	(68.75)
Tax expense in Total Comprehensive Income	**9,533.00**	**10,778.28**

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	Year ended 31 March 2023	Year ended 31 March 2022
(b) Reconciliation of effective tax rate for the year		
Profit before Tax	35,095.83	34,893.74
Applicable Income Tax rate	34.944%	34.944%
Computed tax expense	**12,263.89**	**12,193.27**
Non-deductible expenses for tax purposes	93.96	43.55
Permanent difference on account of EPCG income	105.36	(1,181.01)
Earlier years tax	19.76	69.39
Deferred tax asset not recognised on business losses of subsidiary	(133.25)	(248.20)
Reduction in tax rate due to adoption of new regime	(3,663.35)	-
Minimum Alternate Tax credit written off	267.42	-
Others	490.56	(29.97)
Tax expense in Statement of Profit and Loss	**9,444.35**	**10,847.03**
(c) Recognised deferred tax assets and liabilities:		
Property, plant and equipment and intangible assets	10,802.92	14,723.32
Provisions for employee benefits	(337.84)	(522.81)
Provision for doubtful debts	(69.82)	(91.09)
Foreign exchange differences on account of mark to market valuation	(122.26)	(61.43)
Other temporary differences	(77.02)	(467.92)
Minimum Alternate Tax credit	-	(6,755.84)
Deferred tax liabilities	**10,195.98**	**6,824.23**
(d) Reconciliation of Deferred Tax Liability:		
Temporary difference on account of:		
Property, plant and equipment and intangible assets	(3,920.40)	(572.27)
Provisions for employee benefits	96.32	(98.22)
Provision for doubtful debts	21.27	72.37
Foreign exchange differences on account of mark to market valuation	(60.83)	732.71
Other temporary differences	390.90	7.21
Unabsorbed depreciation carried forward	-	8,822.36
Minimum Alternate Tax credit (entitlement)/utilised	6,755.84	(4,088.49)
Deferred tax in Statement of Profit and Loss	**3,283.10**	**4,875.67**
Temporary difference of liabilities in other comprehensive income	88.65	(68.75)
Deferred tax in Total Comprehensive Income	**3,371.75**	**4,806.92**

The Holding Company has decided to adopt the New Tax Regime u/s 115BAA under the Income Tax Act 1961 from FY 2023-24 (AY 2024-25). Consequently, deferred tax credit including write off of MAT of ₹3,395.93 lakhs has been recognised in statement of profit and loss during the year ended March 31, 2023 on account of re-measurement of net deferred tax liabilities reducing by ₹3,663.35 lakhs on account of reduction in prospective income tax rate to 25.168% from 34.944%, and write-off of the balance of Minimum Alternate Tax (MAT) by ₹267.42 lakhs. The said impact is reflected in the statement of profit and loss for the quarter and year ended March 31, 2023. During the current quarter, the holding company has also reversed deferred tax asset recognised on 'Land' of ₹722.29 lakhs on account of change in assumptions as per the provisions of Ind-AS 12 'Income Taxes'.

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

36. EARNINGS PER SHARE

	Year ended 31 March 2023	Year ended 31 March 2022
Basic and diluted earnings per share		
(i) Profit for the year, attributable to the equity shareholders	25,651.48	24,046.71
(ii) Weighted average number of equity shares		
- Number of equity shares at the beginning of the year	12,26,27,395	12,26,27,395
- Number of equity shares at the end of the year	12,26,27,395	12,26,27,395
Weighted average number of equity shares	**12,26,27,395**	**12,26,27,395**
Basic and diluted earnings per share (₹) [(i)/(ii)]	**20.92**	**19.61**

37. CONTINGENT LIABILITIES AND COMMITMENTS

	As at 31 March 2023	As at 31 March 2022
(to the extent not provided for)		
Contingent liabilities		
(a) Claims against the Group not acknowledged as debts:		
(i) Excise duty, sales tax and other indirect taxes in dispute	1,022.58	1,022.58
Capital and other commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	36,025.53	5.38
(ii) Other Commitments	587.50	-

Claim against the Group not acknowledged as debt:

Cash outflows for the above are determinable only on receipt of judgments pending at various forums/ authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

38. LEASES

Group as a lessee

The Group has lease contracts for offices and factory land. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets. The Group also has certain leases of offices with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

	Land	Offices	Total
(a) Carrying amounts of right-of-use assets			
Balance at 1 April 2021	1,209.20	3,632.62	4,841.82
Additions during the year	-	735.70	735.70
Depreciation charge for the year	(16.31)	(789.25)	(805.56)
Reductions during the year	-	(538.56)	(538.56)
Exchange differences on translation of foreign operations	-	84.69	84.69
Balance at 31 March 2022	**1,192.89**	**3,125.20**	**4,318.09**
Balance at 1 April 2022	1,192.89	3,125.20	4,318.09
Additions during the year	-	3,291.70	3,291.70
Depreciation charge for the year	(16.31)	(735.54)	(751.85)
Reductions during the year	-	(2,408.34)	(2,408.34)
Exchange differences on translation of foreign operations	-	143.95	143.95
Balance at 31 March 2023	**1,176.58**	**3,416.97**	**4,593.55**

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

	As at 31 March 2023	As at 31 March 2022
(b) Lease liabilities		
Maturity analysis - contractual undiscounted cash flows		
Less than one year	977.37	815.09
One to five years	3,530.68	2,231.33
More than five years	-	531.87
Total undiscounted lease liabilities	**4,508.05**	**3,578.29**
Lease liabilities included in the balance sheet		
Current	684.87	700.29
Non-current	3,035.10	2,594.15
Lease liabilities included in the balance sheet	**3,719.97**	**3,294.44**
(c) Amount recognised in statement of profit and loss		
Interest expenses on lease liabilities	188.83	157.04
Depreciation of right-of-use assets	751.85	805.56
Expenses relating to short-term leases (included in other operating expenses)	462.29	337.88
Total amount recognised in profit and loss	**1,402.97**	**1,300.48**
(d) Amount recognised in statement of cash flows		
Total cash outflow for leases	**(656.68)**	**(824.30)**

39. RELATED PARTY DISCLOSURE

a) Other related parties with whom transactions have taken place during the year

Key Management Personnel (KMP)

Mr. Shiv Prakash Mittal, Executive Chairman

Mr. Shobhan Mittal, Managing Director & CEO

Mr. Mahesh Kumar Jiwarajka, Non-Executive Independent Director

Mr. Salil Kumar Bhandari, Non-Executive Independent Director

Mr. Arun Kumar Saraf, Non-Executive Independent Director

Ms. Susmita Singha, Non-Executive Independent Director (till 7 April 2022)

Ms. Shivpriya Nanda, Non-Executive Independent Director (from 6 July 2022)

Mr. Vishwanathan Venkatramani, Chief Financial Officer

Mr. Lawkush Prasad, Company Secretary & Vice President-Legal

Relatives of Key Management Personnel (KMP)

Mrs. Santosh Mittal (Wife of Mr. Shiv Prakash Mittal)

Mr. Rajesh Mittal (Brother of Mr. Shiv Prakash Mittal)

Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal)

Mrs. Janaki Venkatramani (Wife of Mr. Vishwanathan Venkatramani)

Mr. Prashant Venkatramani (Son of Mr. Vishwanathan Venkatramani)

Mrs. Rinku Prasad (Wife of Mr. Lawkush Prasad)

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

b) Enterprises controlled by Key Management Personnel or their relatives

Greenlam Industries Limited

Greenlam South Limited

Greenply Industries Limited

Prime Holdings Private Limited

S.M. Management Private Limited

Vanashree Properties Private Limited

Bluesky Projects Private Limited

Akshat Enterprises (represented by Mr. Arun Kumar Saraf)

c) Related party transactions

Name of the related party	Nature of transaction	As at 31 March 2023	As at 31 March 2022
Greenlam Industries Limited	Sale of products*	1,034.89	1,184.01
	Purchase of products*	22.15	19.21
	Rent received	-	0.25
Greenlam South Limited	Rent received	0.60	0.60
Greenply Industries Limited	Sale of products*	6.81	-
	Rent received	0.60	0.50
Mr. Shiv Prakash Mittal	Remuneration	910.28	783.14
Mr. Shobhan Mittal	Remuneration	1,022.88	912.01
Mr. Mahesh Kumar Jiwarajka	Remuneration	16.50	4.80
Mr. Salil Kumar Bhandari	Remuneration	15.30	4.40
Mr. Arun Kumar Saraf	Remuneration	15.10	4.60
Ms. Shivpriya Nanda	Remuneration	12.70	-
Ms. Susmita Singha	Remuneration	-	4.60
Mr. V. Venkatramani	Remuneration	177.17	159.82
Mr. Lawkush Prasad	Remuneration	36.44	33.01
Mrs. Chitwan Mittal	Remuneration	30.29	29.80
Mr. Prashant Venkatramani	Remuneration	4.71	0.15
Prime Holdings Private Limited	Professional Fees	0.43	0.21
S. M. Management Private Limited	Dividend paid	474.40	474.40
Prime Holdings Private Limited	Dividend paid	199.99	199.99
Vanashree Properties Private Limited	Dividend paid	46.74	46.74
Bluesky Projects Private Limited	Dividend paid	5.63	5.63
Mr. Shobhan Mittal	Dividend paid	158.83	158.83
Mr. Shiv Prakash Mittal	Dividend paid	69.07	11.33
Mrs. Santosh Mittal	Dividend paid	21.99	21.99
Mr. Rajesh Mittal	Dividend paid	-	57.75
Mr. Salil Kumar Bhandari	Dividend paid	0.08	0.08
Mr. Arun Kumar Saraf	Dividend paid	0.30	0.30
Akshat Enterprises	Dividend paid	0.83	-
Mr. Vishwanathan Venkatramani	Dividend paid	0.81	0.81
Mrs. Janaki Venkatramani	Dividend paid	0.50	0.50
Mr. Prashant Venkatramani	Dividend paid	0.19	0.19
Mr. Lawkush Prasad	Dividend paid	-	0.15
Mrs. Rinku Prasad	Dividend paid	0.10	0.10

Note : * indicates the amounts are inclusive of applicable Goods and Service Tax (GST).

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

d) Outstanding balances

Name of the related party	Nature of transaction	As at 31 March 2023	As at 31 March 2022
Greenlam Industries Limited	Trade receivables	-	28.12
	Trade payables	-	1.28
Greenply Industries Limited	Trade receivables	6.81	-
Mr. Shiv Prakash Mittal	Employee benefits payable	475.00	512.80
Mr. Shobhan Mittal	Employee benefits payable	475.00	512.80
Mr. Mahesh Kumar Jiwarajka	Remuneration payable	9.00	-
Mr. Salil Kumar Bhandari	Remuneration payable	9.00	-
Mr. Arun Kumar Saraf	Remuneration payable	9.00	-
Ms. Shivpriya Nanda	Remuneration payable	9.00	-

e) Key Management Personnel compensation

Key management personnels compensation comprised of the following:

Nature of transaction	As at 31 March 2023	As at 31 March 2022
Short-term employee benefits	2,069.49	1,810.32
Other long-term benefits	64.18	65.19
Perquisites	13.10	12.47
Total compensation paid to key management personnel	**2,146.77**	**1,887.98**

As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Holding Company as a whole, the amount pertaining to each key management personnel is not separately ascertainable and, therefore, not included above. Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the KMPs are taken by the Board of Directors of the Holding Company, in accordance with shareholders' approval, wherever necessary.

f) Terms and conditions of transactions with related parties

Purchase from related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end are unsecured and will be settled in cash and cash equivalents. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year after examining the financial position of the related parties and the market in which the related party operates.

g) Details of loans, investments and guarantees covered under Section 186(4) of the Companies Act, 2013

(i) Details of loans Nil

(ii) Details of investments Nil

(iii) Details of guarantees Nil

Notes

to the consolidated financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

40. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES (IND AS 107)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Consolidated Balance Sheet are as follows:

		As at 31 March 2023		As at 31 March 2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets at amortised cost					
Non-current					
Other financial assets	Level 3	2,150.67	2,150.67	1,696.16	1,696.16
Current					
Trade receivables	Level 3	4,439.73	4,439.73	4,144.32	4,144.32
Cash and cash equivalents	Level 3	1,327.24	1,327.24	5,738.42	5,738.42
Other bank balances	Level 3	36,452.42	36,452.42	16,523.23	16,523.23
Loans	Level 3	50.00	50.00	72.16	72.16
Other financial assets	Level 3	3,559.23	3,559.23	3,645.86	3,645.86
Total Financial Assets		**47,979.29**	**47,979.29**	**31,820.15**	**31,820.15**
Financial assets at fair value through profit and loss					
Current					
Derivatives	Level 2	60.52	60.52	-	-
		60.52	**60.52**	**-**	**-**
Total Financial Assets		**48,039.81**	**48,039.81**	**31,820.15**	**31,820.15**
Financial liabilities at amortised cost					
Non-current					
Borrowings	Level 3	12,707.86	12,707.86	16,517.77	16,517.77
Lease liabilities	Level 3	3,035.10	3,035.10	2,594.15	2,594.15
Other financial liabilities	Level 3	668.74	668.74	858.34	858.34
Current					
Borrowings	Level 3	6,335.07	6,335.07	11,747.03	11,747.03
Lease liabilities	Level 3	684.87	684.87	700.29	700.29
Other financial liabilities	Level 3	1,699.14	1,699.14	2,138.83	2,138.83
Trade payables	Level 3	11,112.83	11,112.83	13,779.86	13,779.86
		36,243.61	**36,243.61**	**48,336.27**	**48,336.27**
Financial liabilities at fair value through profit and loss					
Current					
Derivatives	Level 2	-	-	35.77	35.77
		36,243.61	**36,243.61**	**48,372.04**	**48,372.04**

41. FAIR VALUE MEASUREMENT

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Group has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Group specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Notes

to the consolidated financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Financial assets and liabilities measured at fair value - recurring fair value measurements are as follows:

	As at 31 March 2023	As at 31 March 2022
Financial assets - Level 2		
Derivatives	60.52	-
Financial liabilities - Level 2		
Derivatives	-	35.77

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable, cash credits, borrowings and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

(a) The fair value of the quoted investments are based on market price at the respective reporting date.

(b) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves based on report obtained from banking partners.

(c) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies based on report obtained from banking partners.

42. FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks arising from financial instruments:

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

Risk management framework

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group operations. The Group's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group’s activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group’s primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. Foreign currency options contract are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Group’s risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group’s activities.

This note presents information about the Group’s exposure to each of the above risks, the Group’s objectives, policies and processes for measuring and managing risk, and the Group’s management of capital.

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

The sources of risks which the Group is exposed to and their management is given below:

Risk	Exposure Arising from	Measurement	Management
Credit risk	Trade receivables, derivative financial instruments, loans	Ageing analysis, credit rating	Credit limit and credit worthiness monitoring, credit based approval process.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities.
Market risk Foreign exchange risk	Committed commercial transaction, Financial asset and liabilities not denominated in INR	Cash flow forecasting sensitivity analysis	Forward foreign exchange contracts.
Interest rate	Long term borrowings at variable rates	Sensitivity analysis interest rate movements	Interest rate swaps

(i) Credit risk

Credit risk is the risk of financial loss of the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group receivables from customers and loans. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank, foreign exchange transactions and financial guarantees. The Group has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Exposure to credit risks

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below:

Particulars	As at 31 March 2023	As at 31 March 2022
Revenue from a top customer	4.23%	3.21%
Revenue from top five customers	12.00%	8.19%

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. As per simplified approach, the Group makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the credit loss allowance for trade receivables. The said provision has been netted off under trade receivables.

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning	193.69	426.57
Impairment loss recognised/(reversal)	83.72	(232.88)
Balance at the end	**277.41**	**193.69**

The ageing analysis of the trade receivables (gross of provision) has been considered from the final due date of the invoice and the schedule is annexed to note on Trade Receivables in Note 11.

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's finance team is responsible for liquidity, finding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31 March 2023	< 1 year	1 - 5 years	> 5 years	Total
Borrowings	6,451.50	12,799.06	-	19,250.56
Lease Liabilities	977.37	3,530.68	-	4,508.05
Trade payables	11,112.83	-	-	11,112.83
Other financial liabilities	1,699.14	668.74	-	2,367.88
	20,240.84	**16,998.48**	**-**	**37,239.32**

As at 31 March 2022	< 1 year	1 - 5 years	> 5 years	Total
Borrowings	11,970.92	16,939.89	-	28,910.81
Lease Liabilities	815.09	2,231.33	531.87	3,578.29
Trade payables	13,779.86	-	-	13,779.86
Other financial liabilities	2,174.60	858.34	-	3,032.94
	28,740.47	**20,029.56**	**531.87**	**49,301.90**

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument . The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The Group uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Exposure to currency risk

The Group's exposure to foreign currency at the end of the reporting period are as follows:

Particulars	Currency	As at 31 March 2023		As at 31 March 2022	
		Amount in Foreign currency	₹ in Lakhs	Amount in Foreign currency	₹ in Lakhs
Hedged exposures					
Borrowings	EURO	-	-	22,27,313	1,867.62
Borrowings - Buyers credit	USD	-	-	11,13,159	843.55
Trade payables	EURO	1,43,876	128.06	99,196	83.18
	USD	-	-	62,827	47.61
			128.06		130.79
Unhedged exposures					
Borrowings	EURO	1,73,73,575	15,464.10	2,00,01,254	16,771.17
Borrowings - Buyers credit - Capex	EURO	16,70,000	1,486.46	9,20,000	771.43
	USD	-	-	4,50,000	341.01
			1,486.46		1,112.44
Trade payables	EURO	1,38,297	123.10	1,16,699	97.85
	USD	-	-	13,48,380	1,021.80
			123.10		1,119.65
Liability for Capital Goods	EURO	-	-	2,00,508	168.13
Interest accrued but not due on borrowings	EURO	2,19,592	195.46	51,971	43.58
Trade receivables	USD	17,26,761	1,418.92	18,04,225	1,367.24

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EURO against Indian rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Nature	Effect	As at 31 March 2023	As at 31 March 2022
USD (5% Movement)	Profit or loss	Strengthening	70.95	0.22
		Weakening	(70.95)	(0.22)
	Equity, net of tax	Strengthening	53.09	0.14
		Weakening	(53.09)	(0.14)
EUR (5% Movement)	Profit or loss	Strengthening	(863.46)	(892.61)
		Weakening	863.46	892.61
	Equity, net of tax	Strengthening	(646.14)	(580.70)
		Weakening	646.14	580.70

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates related primarily to the Group's short term borrowing with floating interest rates. For all long term borrowings with floating rates, the risk of variation in the interest rates in mitigated through interest rate swaps. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Exposure to interest rate risk

The interest rate profile of the Group 's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	(1,486.46)	(2,070.97)
	(1,486.46)	**(2,070.97)**
Effect of interest rate swaps	-	-
	(1,486.46)	**(2,070.97)**
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(17,764.10)	(26,839.84)
	(17,764.10)	**(26,839.84)**
Effect of interest rate swaps	-	-
	(17,764.10)	**(26,839.84)**

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis. In case of variable rate instrument from Landesbank Baden-Wurttenberg, the EURIBOR element is negative since long and seems to continue for a foreseeable period, and as such the sensitivity analysis below is unrepresentative of a risk inherent in the said financial instrument.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

Particulars	Nature	Effect	As at 31 March 2023	As at 31 March 2022
Variable rate instruments	Profit or loss	Strengthening	(177.64)	(268.40)
		Weakening	177.64	268.40
	Equity, net of tax	Strengthening	(132.93)	(174.61)
		Weakening	132.93	174.61
Interest rate swap	Profit or loss	Strengthening	-	-
		Weakening	-	-
	Equity, net of tax	Strengthening	-	-
		Weakening	-	-
Cash flow sensitivity (net)	Profit or loss	Strengthening	(177.64)	(268.40)
		Weakening	177.64	268.40
	Equity, net of tax	Strengthening	(132.93)	(174.61)
		Weakening	132.93	174.61

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

43. CAPITAL MANAGEMENT

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Group's objective when managing capital are to: (a) to maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Group's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

The Group monitors capital using debt-equity ratio, which is total debt less liquid investments divided by total equity.

Particulars	As at 31 March 2023	As at 31 March 2022
Total debt (Bank and other borrowings)	19,042.93	28,264.80
Less: Cash and cash equivalents	1,327.24	5,738.42
Less: Other bank balances	36,452.42	16,523.23
Adjusted net debt	**(18,736.73)**	**6,003.15**
Equity	1,19,390.82	95,164.57
Debt to Equity (net)	**(0.16)**	**0.06**

In addition, the Group has financial covenants relating to the banking facilities that it has taken from all the lenders like interest service coverage ratio, Debt to EBITDA, current ratio etc. which is maintained by the Group.

44. OPERATING SEGMENTS

A. Basis of segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group' s other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has two reportable segments, as described below, which is the Group's strategic business units. These business units are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segment	Operations
Plywood and allied products	Manufacturing
Medium Density Fibre Boards and allied products	Manufacturing

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Year ended 31 March 2023	Reportable segments			All other segments	Total
	Plywood and allied products	Medium Density Fibre Boards and allied products	Total Reportable segments		
Segment revenue:					
- External revenues					
a) Sales	24,396.96	1,53,458.07	1,77,855.03	-	1,77,855.03
b) Other operating income	5.37	425.59	430.96	-	430.96
- Inter-segment revenue	-	-	-	-	-
Total segment revenue	**24,402.33**	**1,53,883.66**	**1,78,285.99**	**-**	**1,78,285.99**
Segment profit/(loss) before income tax	2,360.72	41,873.40	44,234.12	-	44,234.12
Segment profit/(loss) before income tax includes:					
Interest revenue	-	-	-	-	-
Interest expense	-	-	-	-	-
Depreciation and amortisation	267.22	5,957.87	6,225.09	-	6,225.09
Tax expense	-	-	-	-	-
Other material non cash item (if any)	-	-	-	-	-
Segment assets	**7,507.17**	**1,17,345.20**	**1,24,852.37**	**-**	**1,24,852.37**
Segment liabilities	**2,620.87**	**33,509.01**	**36,129.88**	**-**	**36,129.88**

Year ended 31 March 2022	Reportable segments			All other segments	Total
	Plywood and allied products	Medium Density Fibre Boards and allied products	Total Reportable segments		
Segment revenue:					
- External revenues					
a) Sales	25,593.85	1,32,980.30	1,58,574.15	-	1,58,574.15
b) Other operating income	30.08	3,899.64	3,929.72	-	3,929.72
- Inter-segment revenue	-	-	-	-	-
Total segment revenue	**25,623.93**	**1,36,879.94**	**1,62,503.87**	**-**	**1,62,503.87**
Segment profit/(loss) before income tax	3,248.81	39,220.20	42,469.01	-	42,469.01
Segment profit/(loss) before income tax includes:					
Interest revenue	-	-	-	-	-
Interest expense	-	-	-	-	-
Depreciation and amortisation	375.37	6,181.61	6,556.98	-	6,556.98
Tax expense	-	-	-	-	-
Other material non cash item (if any)	-	-	-	-	-
Segment assets	**9,587.25**	**1,13,828.49**	**1,23,415.74**	**-**	**1,23,415.74**
Segment liabilities	**3,859.50**	**38,794.62**	**42,654.12**	**-**	**42,654.12**

Property, plant and equipment are allocated based on location of the assets.

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

C. Reconciliations of information on reportable segments to Ind AS measures

	Year ended 31 March 2023	Year ended 31 March 2022
i. Revenues		
Total revenue for reportable segments	1,78,285.99	1,62,503.87
Revenue for other segments	-	-
Elimination of inter-segment revenue	-	-
Elimination of revenue of discontinued operation	-	-
Consolidated revenue	**1,78,285.99**	**1,62,503.87**
ii. Profit before tax		
Total profit before tax for reportable segments	44,234.12	42,469.01
Profit before tax for other segments	-	-
Elimination of inter-segment profits	-	-
Elimination of profit of discontinued operation	-	-
Unallocated amounts:		
Corporate expenses	(9,748.36)	(7,575.27)
Consolidated profit before tax	**34,485.76**	**34,893.74**
iii. Assets		
Total assets for reportable segments	1,24,852.37	1,23,415.74
Assets for other segments	-	-
Unallocated amounts	45,630.54	30,820.75
Consolidated total assets	**1,70,482.91**	**1,54,236.49**
iv. Liabilities		
Total liabilities for reportable segments	36,129.88	42,654.12
Liabilities for other segments	-	-
Unallocated amounts	14,962.21	16,417.80
Consolidated total liabilities	**51,092.09**	**59,071.92**

v. Other material items

Particulars	Year ended 31 March 2023			Year ended 31 March 2022		
	Reportable segment total	Adjustments	Consolidated totals	Reportable segment total	Adjustments	Consolidated totals
Interest revenue	-	-	-	-	-	-
Interest expense	-	1,904.24	1,904.24	-	1,709.81	1,709.81
Depreciation and amortisation expense	6,225.09	972.01	7,197.10	6,556.98	778.76	7,335.74

D. Geographical information

Particulars	Within India		Outside India		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
External revenue by location of customers	1,53,540.78	1,39,238.12	24,745.21	23,265.75	1,78,285.99	1,62,503.87
Carrying amount of segment assets by location of assets	1,68,249.07	1,51,173.11	2,233.84	3,063.38	1,70,482.91	1,54,236.49

E. Major customer

The Group does not receive 10% or more of its revenues from transactions with any single external customer.

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

45. TAXATION

The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

46. DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES

		As at 31 March 2023	As at 31 March 2022
(a)	The amounts remaining unpaid to Micro and Small suppliers as at the end of each accounting year		
	- Principal	268.50	60.98
	- Interest	-	-
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

Note: The above information regarding Micro Small & Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Group. The same has been relied upon by the auditors.

47. FINANCIAL RATIOS

Ratios	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	% change	Reason for change
Current ratio	Current Assets	Current Liabilities	2.71	1.56	73.66%	Reduction in working capital cycle
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.16	0.30	-46.30%	Reduction in working capital investment leading to improved cash flows used for debt reduction
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	6.38	1.46	335.96%	Reduction in borrowings resulting in lower interest outgo
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	23.91%	28.59%	-16.37%	Increase in accumulated shareholders equity as compared to previous year whereas profit after tax remaining at almost the same level as compared to previous year

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

Ratios	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	% change	Reason for change
Inventory Turnover ratio	Cost of goods sold	Average Inventory	6.27	5.15	21.66%	Decrease in inventory levels and increased cost of production
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	47.86	30.69	55.93%	Increase in turnover on same receivables cycle
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	6.75	6.02	11.98%	Due to reduction in credit cycle
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	4.45	9.08	-51.03%	Increase in turnover and reduction in working capital cycle
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	14.42%	15.16%	-4.89%	Increase in turnover whereas net profit almost remaining the same as compared to the previous year due to increase in raw material prices and operational expenses
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt	26.73%	29.66%	-9.87%	Increase in accumulated shareholders equity as compared to previous year whereas profit after tax remaining at almost the same level as compared to previous year
Return on Investment	Interest (Finance Income)	Investment	Not Applicable	Not Applicable		Not Applicable

48. DISTRIBUTION MADE AND PROPOSED DIVIDEND (IND AS 1)

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2023. Since no dividend has been proposed in the current and previous year, financial figures with respect to the same has not been given.

The Holding Company has paid an interim dividend of ₹1.50 per equity share i.e. 150% on face value of ₹1 per share for the financial year 2022-23 during the year on 12,26,27,395 equity shares (previous year ₹1.50 per equity share).

Notes

to the consolidated financial statements for the year ended 31 March 2023

All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

49. RECONCILIATION OF QUARTERLY BANK RETURNS

Name of Bank	Particulars	Quarter	Amount as per books	Amount as reported in quarterly returns	Amount of difference
Working Capital Lenders	Inventory	31 March 2023	15,253.48	13,070.00	2,183.48
Working Capital Lenders	Trade receivables	31 March 2023	4,439.73	8,823.58	(4,383.85)
Working Capital Lenders	Trade payables	31 March 2023	(11,105.43)	(7,376.29)	(3,729.14)
Working Capital Lenders	**Net Total**	**31 March 2023**	**8,587.78**	**14,517.29**	**(5,929.51)**
Working Capital Lenders	Inventory	31 December 2022	17,490.83	15,103.00	2,387.83
Working Capital Lenders	Trade receivables	31 December 2022	3,284.69	9,090.58	(5,805.89)
Working Capital Lenders	Trade payables	31 December 2022	(11,136.25)	(5,797.24)	(5,339.01)
Working Capital Lenders	**Net Total**	**31 December 2022**	**9,639.27**	**18,396.34**	**(8,757.07)**
Working Capital Lenders	Inventory	30 September 2022	19,570.39	17,691.00	1,879.39
Working Capital Lenders	Trade receivables	30 September 2022	4,420.08	9,855.10	(5,435.02)
Working Capital Lenders	Trade payables	30 September 2022	(13,246.84)	(7,891.42)	(5,355.42)
Working Capital Lenders	**Net Total**	**30 September 2022**	**10,743.63**	**19,654.68**	**(8,911.05)**
Working Capital Lenders	Inventory	30 June 2022	18,095.93	16,184.00	1,911.93
Working Capital Lenders	Trade receivables	30 June 2022	3,831.28	9,085.28	(5,254.00)
Working Capital Lenders	Trade payables	30 June 2022	(15,667.72)	(8,602.35)	(7,065.37)
Working Capital Lenders	**Net Total**	**30 June 2022**	**6,259.49**	**16,666.93**	**(10,407.44)**
Working Capital Lenders	Inventory	31 March 2022	16,581.57	14,632.00	1,949.57
Working Capital Lenders	Trade receivables	31 March 2022	4,144.32	9,589.25	(5,444.93)
Working Capital Lenders	Trade payables	31 March 2022	(14,789.76)	(10,168.82)	(4,620.94)
Working Capital Lenders	**Net Total**	**31 March 2022**	**5,936.13**	**14,052.43**	**(8,116.30)**
Working Capital Lenders	Inventory	31 December 2021	14,515.13	12,525.00	1,990.13
Working Capital Lenders	Trade receivables	31 December 2021	3,368.12	7,982.00	(4,613.88)
Working Capital Lenders	Trade payables	31 December 2021	(13,135.44)	(8,803.00)	(4,332.44)
Working Capital Lenders	**Net Total**	**31 December 2021**	**4,747.81**	**11,704.00**	**(6,956.19)**
Working Capital Lenders	Inventory	30 September 2021	16,107.67	13,866.00	2,241.67
Working Capital Lenders	Trade receivables	30 September 2021	4,924.76	8,701.00	(3,776.24)
Working Capital Lenders	Trade payables	30 September 2021	(15,508.26)	(10,906.00)	(4,602.26)
Working Capital Lenders	**Net Total**	**30 September 2021**	**5,524.17**	**11,661.00**	**(6,136.83)**
Working Capital Lenders	Inventory	30 June 2021	16,956.66	15,144.00	1,812.66
Working Capital Lenders	Trade receivables	30 June 2021	6,930.43	9,246.00	(2,315.57)
Working Capital Lenders	Trade payables	30 June 2021	(13,207.00)	(9,339.00)	(3,868.00)
Working Capital Lenders	**Net Total**	**30 June 2021**	**10,680.09**	**15,051.00**	**(4,370.91)**

Working Capital Lenders represent State Bank of India, HDFC Bank Limited, Axis Bank Limited, RBL Bank Limited, Indusind Bank Limited

Note for Discrepancies:

The difference in Inventory is due to the cost of inventories included in financial statements on account of sales not considered, for the risk and rewards not transferred in view of compliance of Ind AS 115.

The difference in trade receivables is due to (i) the amount excluded from financial statements on account of sales not considered for the risk and rewards not transferred in view of compliance of Ind AS 115 and (ii) exclusion of debtors whose ageing is more than 90 days from invoice date and related party balances from stock statement.

The Discrepancy in trade payables is due to the Service and the Corporate Creditors not being part of disclosure in bank reporting. Creditors reported in stock statement is only to the extent of inventory purchased, along with net of advances.

Notes

to the consolidated financial statements for the year ended 31 March 2023
All amounts in ₹ are in ₹ lakhs except wherever stated otherwise

50. OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), 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

(vi) The Group has not received any fund from any person(s) or entity(ies), 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,

(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

As per our report of even date attached

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number.: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

Vishwanathan Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & VP-Legal

Place : Gurgaon
Dated : 6 May 2023

Place : Gurgaon
Dated : 6 May 2023

Corporate Information

BOARD OF DIRECTORS
Mr. Shiv Prakash Mittal, Executive Chairman
Mr. Shobhan Mittal, Managing Director & CEO
Mr. Salil Kumar Bhandari, Independent Director
Mr. Mahesh Kumar Jiwrajka, Independent Director
Mr. Arun Kumar Saraf, Independent Director
Ms. Shivpriya Nanda, Independent Director

AUDIT COMMITTEE
Mr. Salil Kumar Bhandari, Chairman
Mr. Mahesh Kumar Jiwrajka
Mr. Arun Kumar Saraf
Mr. Shiv Prakash Mittal
Ms. Shivpriya Nanda

STAKEHOLDERS RELATIONSHIP COMMITTEE
Mr. Mahesh Kumar Jiwrajka, Chairman
Mr. Shiv Prakash Mittal
Mr. Shobhan Mittal

NOMINATION & REMUNERATION COMMITTEE
Mr. Salil Kumar Bhandari, Chairman
Mr. Mahesh Kumar Jiwrajka
Mr. Arun Kumar Saraf

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mr. Mahesh Kumar Jiwrajka, Chairman
Mr. Shiv Prakash Mittal
Mr. Shobhan Mittal

RISK MANAGEMENT COMMITTEE
Mr. Shiv Prakash Mittal, Chairman
Mr. Shobhan Mittal
Mr. Arun Kumar Saraf

OPERATIONAL COMMITTEE
Mr. Shiv Prakash Mittal, Chairman
Mr. Shobhan Mittal
Mr. Arun Kumar Saraf

CHIEF FINANCIAL OFFICER
Mr. Vishwanathan Venkatramani

CHIEF INVESTOR RELATIONS OFFICER
Mr. Vishwanathan Venkatramani

COMPANY SECRETARY & VP-LEGAL
Mr. Lawkush Prasad

BANKERS/FINANCIAL INSTITUTIONS
Landesbank Baden-Wurttemberg
Axis Bank Limited
HDFC Bank Limited
State Bank of India
IndusInd Bank Limited
RBL Bank Limited
Kotak Mahindra Bank Limited
Yes Bank Limited

STATUTORY AUDITORS
M/s. S. S. Kothari Mehta and Company
Plot No. 68, Okhla Industrial Area, Phase – III,
New Delhi – 110020

REGISTRAR & SHARE TRANSFER AGENT
Link Intime India Private Limited
C-101, 247 Park, LBS Marg, Vikhroli West,
Mumbai – 400083
Phone: (033) 4004-9728, 4073-1698

REGISTERED AND CORPORATE OFFICE:
Thapar House, 2nd Floor
163, S. P. Mukherjee Road
Kolkata - 700 026
Phone: (033)-4084-0600
Email: investor.relations@greenpanel.com
Website: www.greenpanel.com

CIN: L20100AS2017PLC018272

MANUFACTURING FACILITIES
Pantnagar, Rudrapur, Uttarakhand and
Chittoor, Andhra Pradesh

GREENPANEL®

Registered and Corporate Office
Thapar House, 2nd Floor
163, S. P. Mukherjee Road
Kolkata - 700 026