Greenlam Industries Limited

Annual Report 2019-20

Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Note: The figures in non-statutory section are based on consolidated financials unless stated otherwise.

Contents

At Greenlam, our consistent focus has been on building an enduring company.

During the last financial year, when the Indian economic growth was slower by 190 bps, Greenlam reported higher numbers.

We believe that we possess the focus, products and Balance Sheet to do so once again when consumer sentiment revives and people begin to say 'It's time to build better homes and offices.'

We will be there.

Greenlam. What makes us a distinctive company.

THE LARGEST LAMINATE MANUFACTURER IN ASIA AND AMONG THE THREE LARGEST IN THE WORLD.

INDIA'S LARGEST LAMINATES EXPORTER FOR EIGHT CONSECUTIVE YEARS.

INDIA'S LEADING DECORATIVE VENEER BRAND.

INDIA'S ONLY ENGINEERED WOODEN FLOORING MANUFACTURER.

INDIA'S FIRST ORGANISED MANUFACTURER OF ENGINEERED WOODEN DOOR SETS.

Taken measured yet consistent steps

The Company commenced commercial production in 1993 with a laminate sheets manufacturing facility at Behror, Rajasthan. Within the space of 27 years, it graduated to the manufacture of compact panels, cladding solutions, restroom cubicle and locker solutions, kitchen solutions, decorative veneers, engineered wooden flooring, staircase solutions and engineered wooden door sets, in addition to providing a comprehensive range of decorative laminates.

Created a professional organisation

Greenlam Industries Limited is headed by Mr. Saurabh Mittal (Managing Director & CEO), who possesses more than two decades of rich experience in growing the laminates business. The Company is professionally managed, employs a strong sales team that has widened its Indian and global footprint and a design team that helps in introducing innovative designs in line with market dynamics. The Company employs 4500+ people (including contractual employees).

Built world-class manufacturing capabilities

Greenlam manufactures products in two state-of-the art manufacturing facilities at Behror in Rajasthan and Nalagarh in Himachal Pradesh, possessing a manufacturing capacity of 15.62 million laminate sheets per annum. The Behror plant also manufactures melamine-faced chip boards, decorative veneers, engineered wooden flooring and engineered wooden door sets.

Consistent focus on credible financials

Greenlam has focused consistently on de-leveraging its Balance Sheet, strengthening its working capital management and trade terms, increasing proportion of value-added products and effective cost management. The result is that Greenlam has a demonstrated competitiveness across market cycles.

Enhanced accountability to business owners

Greenlam is listed on the BSE Limited and National Stock Exchange of India Ltd. The Company enjoyed a market capitalisation of ₹1199.82 crore as on March 31, 2020 (regaining its position as one of the Top 500 companies listed on National Stock Exchange).

Addressed customer demand in every possible territory

Greenlam has strengthened its market presence by providing products proximate to consumer consumption. The Company's products are marketed through nine large regional distribution centres, 21 branch offices, 5 warehouses and 14000+ distributors, dealers and retailers, possibly the largest footprint within the sector in India. The Company's products are available in 100+ countries, supported by 3 international distribution centres, 14 international offices, 5 overseas operational subsidiaries and 100+ multi-cultural employees.

Inculcated sectoral best practices

Greenlam's environment commitment is showcased in confidence-enhancing certifications like FSC, PEFC, ISO 14001 and OHSAS 18001. The Company enjoys product-specific certifications like ISO 9001, CE, UL, NSF, SEFA, Greenlabel, Greenguard and NEMA (US and BS), reinforcing its respect as a quality-driven company. The Company also enjoys SEDEX certification for Ethical Trade Initiatives.

Products portfolio

Decorative Laminate & Allied Products

Laminates

Greenlam LAMINATES NEW MIKA

- Commodity to Premium products

Compact Panels

Greenlam CLADS

Greenlam Sturdo

- Standard Compact Panels
- Lab Guardian
- Restroom & Locker Solutions
- Clads –Façade Panels
- Stratus Kitchen Solutions

MFC

Greenlam MFC PRELAM PARTICLE BOARD

- Melamine Faced Chip Board

Veneer & Allied Products

Decorative Veneer

decowood® PREMIUM VENEERS
NATURAL | TEAK | ENGINEERED

- Natural Veneer
- Teak Veneer
- Engineered Veneer

Mikasa Floor

Mikasa REAL WOOD FLOORS

- Engineered Wooden Flooring & matching accessories

Mikasa Door

Mikasa DOORS & FRAMES

- Engineered Wooden Door and Door sets (Door + Frames)

Our consolidated financial performance, FY2019-20

Overview

Consolidated net revenues grew 3.1% to **₹1320.6** crore from **₹1280.7** crore in FY2018-19

EBIDTA grew 12.4% to **₹178.2** crore from **₹158.5** crore in FY2018-19.

PAT grew 12.4% to **₹86.7** crore from **₹77.1** crore in FY2018-19.

Business health

Gross margin improved 290 bps to **49.2**% in FY2019-20 from **46.3**% in FY2018-19

Gross margin in absolute terms increased 9.7% to **₹650.2** crore in FY2019-20 from **₹592.9** crore in FY2018-19

EBIDTA margin grew 110 bps to **13.5**% in FY2019-20 from **12.4**% in FY2018-19.

Working capital cycle increased by **3** days to **93** days in FY2019-20

Products

Laminate revenues grew 3.5% to **₹1122.2** crore from **₹1084.5** crore in FY2018-19

Domestic laminate revenues de-grew **3.7**% by value and **9.9**% by volume over FY2018-19

Laminate exports grew **11.0**% by value and **5.2**% by volume over FY2018-19

Decorative veneer revenues de-grew 13.7% to **₹112.7** crore in FY2019-20 from **₹130.7** crore in FY2018-19 (volume de-growth 12.2%)

Engineered wooden flooring revenues grew 18.9% to **₹51.2** crore in FY2019-20 from **₹43.0** crore in FY2018-19

Engineered wooden door revenues grew 53.3% to **₹34.5** crore in FY2019-20 from **₹22.5** crore in FY2018-19

Values that drive Greenlam

Trust

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

Our dealings as an organisation with the environment including individual employees, vendors, business partners, investors, customers and society at large would be in a premise of good faith. We would trust others and strive to earn the trust of others. We would thereby not deal with anybody who breaches our trust or the trust placed on us by our environment. We empower our employees by placing trust in them to take decisions in the best interest of the organisation and as per promulgated norms.

Performance

WE VALUE PERFORMANCE ACROSS PRODUCTS, PEOPLE AND PROCESSES.

Performance is valued as the core ingredient for sustainability and would therefore be the underlying metric for selecting people, products or processes for the organisation. Other values would be additional to performance. Performance would mean delivering on commitment in every parameter. It would also entail effort and a continuing endeavour to improve the status quo in order to achieve excellence.

Learning

WE ENCOURAGE LEARNING, CREATING AND NURTURING TALENT.

Our organisation facilitates the learning of our employees and continuously transforms itself. We also support formal learning through structured programs to empower people outperforming their individual potential.

Speed and agility

WE ARE QUICK TO DECIDE, RESPOND AND EXECUTE.

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

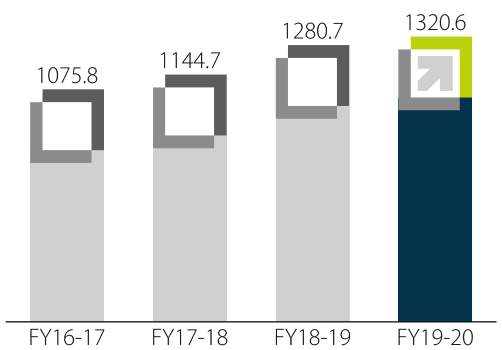
Team work

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

Given the inter linkage of output of others with our performance, we nurture a sense of collective destiny with our environment. Internally, if a peer fails, the team cannot succeed and individual success means little in a failed team. Also, our customers, partners and investors need to succeed. Therefore, organisational goals precede departmental goals. Also, dealers, distributors and vendors are our partners.

How we have grown over the years

Revenues (₹ crore)



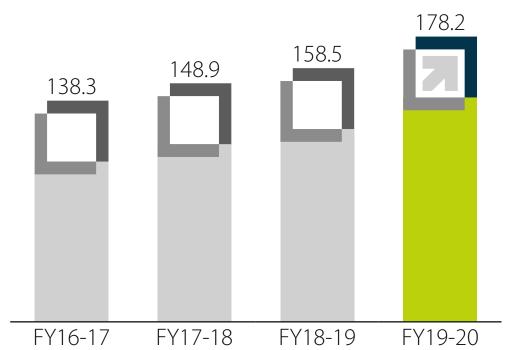
Definition
Growth in sales net of taxes

Why this is measured
It is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the Company's success can be compared with sectoral peers.

What this means
The growth in revenues provides the Company with the critical mass to amortise fixed costs effectively.

Value impact
Aggregate sales increased 3.1% to ₹1320.6 crore in FY2019-20 despite the slowdown in Q1 and Q4, owing to the ERP migration and COVID-19 disruption respectively.

EBIDTA (₹ crore)



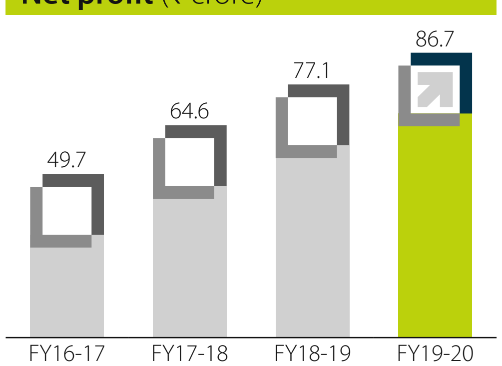
Definition
Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax)

Why this is measured
It is an index that showcases the Company's ability to generate a surplus after optimising operating costs, providing a base for comparison of its effectiveness with sectoral peers.

What this means
Helps create a robust surplus-generating engine that enhances reinvestment.

Value impact
The Company reported a 12.4% increase in EBIDTA in FY2019-20 (higher than the revenue percentage growth and the highest quantum increase in three years), an outcome of improving efficiency.

Net profit (₹ crore)



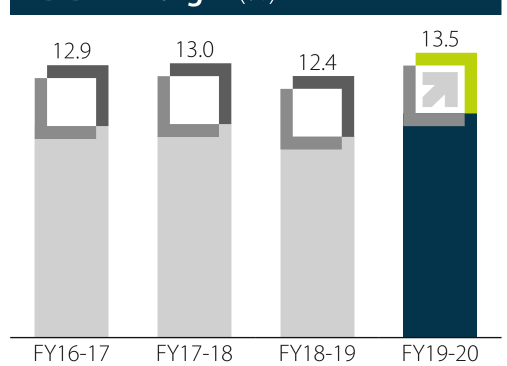
Definition
Profit earned during the year after deducting all expenses and provisions

Why this is measured
It highlights the strength of the business model in enhancing value for shareholders.

What this means
This ensures that adequate cash is available for reinvestment, leading to business sustainability.

Value impact
The increment in net profit by 12.4% indicates success in a challenging market cycle (especially in March 2020 following the pandemic impact).

EBIDTA margin (%)



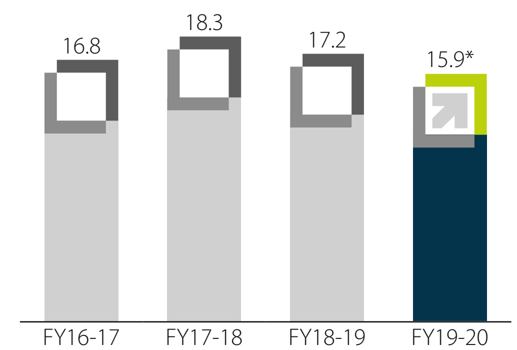
Definition
EBIDTA margin is a profitability measure to ascertain a company's operating efficiency

Why this is measured
The EBIDTA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

What this means
This measure demonstrates the buffer in the business, which when multiplied by scale, can potentially enhance the surplus.

Value impact
The Company reported a 110 bps increase in EBIDTA margin in FY2019-20, its highest in three years following all-round business tightening.

RoCE (%)



Definition
This is a financial ratio that measures efficiency with which capital is employed in the Company's business

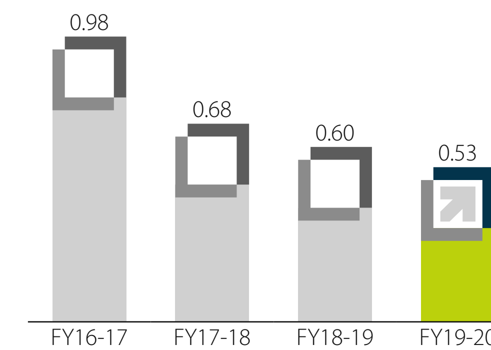
Why this is measured
RoCE is an insightful metric to compare profitability across companies based on their respective capital efficiency

What this means
Enhanced RoCE can potentially drive valuations and market perception.

Value impact
The Company reported a 130 bps decline in RoCE in FY2019-20 on account of capex made in growing the business.

**16.8% RoCE without considering investment in Greenlam South Limited (new capex)`*

Net debt-equity ratio (x)



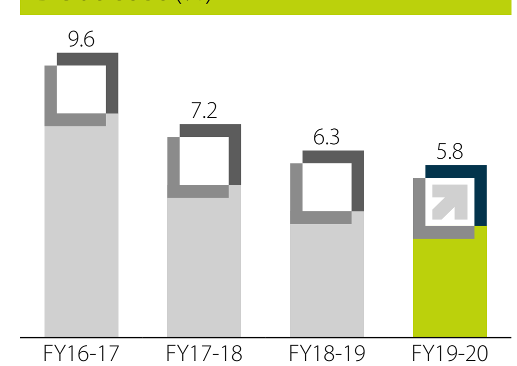
Definition
This is the ratio of debt to net worth (less revaluation reserves)

Why this is measured
This is one of the defining measures of a company's financial health. This indicates the ability of the Company to remunerate shareholders over debt providers (the lower the gearing the better).

What this means
This indicates whether the Company has enhanced shareholder value by moderating debt and enhancing net worth.

Value impact
The Company's gearing stood at 0.53 in FY2019-20 compared to 1.0 in FY2016-17.

Debt cost (%)



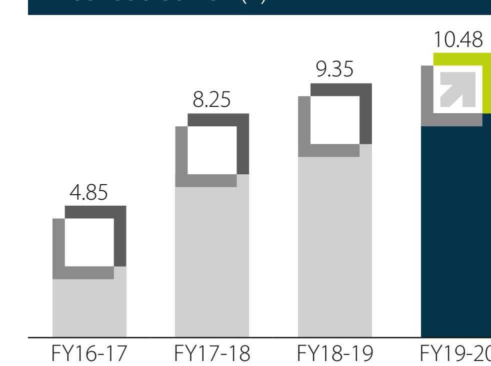
Definition
This is derived through the computation of the average cost of the consolidated debt on the Company's books.

Why this is measured
This indicates the Company's ability in convincing debt providers of the robustness of the business model and negotiating a lower debt cost (leading to higher margins).

What this means
This translates into enhanced cash flows and strengthens credit rating leading to successive probable declines in debt cost

Value impact
The Company's debt cost declined from 6.3% in FY2018-19 to 5.8% in FY2019-20 (a mix of forex and rupee debt), its lowest in years.

Interest cover (x)



Definition
This is derived through the division of EBIDTA by interest outflow

Why this is measured
Interest cover indicates the profit buffer available within the Company to service interest – the higher the better.

What it means
A company's ability to meet its interest obligations, an aspect of its solvency; it is arguably one of the most important measures of shareholder returns.

Value impact
The Company strengthened its interest cover from 9.35 in FY2018-19 to 10.48 in FY2019-20.

The world of Greenlam.

Made in India. Marketed the world over.

Bangkok, Thailand

Ratchaneewan Sriraporn
needed to buy a laminate for a hospital. The dealer told her that he had just the product she may need. An anti-bacterial laminate. *Greenlam.*

Dubai, UAE

Rashid Al Halaki
needed premium laminates for his palatial 16-room mansion. The ordinary would not do. He reached out to the largest dealer in the region who showed him just what his wife loved. *Greenlam.*

Cairo, Egypt

Ayesha Issa
a young entrepreneur, needed synchro collection laminates for her new office. She had a simple need: no compromise. When the dealer heard this, he said, "Ohh, why didn't you say so earlier?" He recommended just one brand. *Greenlam.*

Milan, Italy

Alessandro Rossi
interior designer, needed to create an impression with his studio. He searched the net and found Greenlam. He located the Company's local representative. Studied the swatch. And got just what he wanted.

Miami, US

Emma Cruz
sought to renovate her Airbnb condo in Miami with premium laminates designed to resist the salty sea spray. She reached out to her trusted interior designer who recommended two names. One was *Greenlam.*

Haifa, Israel

Esther Horowitz
wished to restore her grandfather's old house. His requirement: anti-termite laminates. She turned to *Greenlam.*

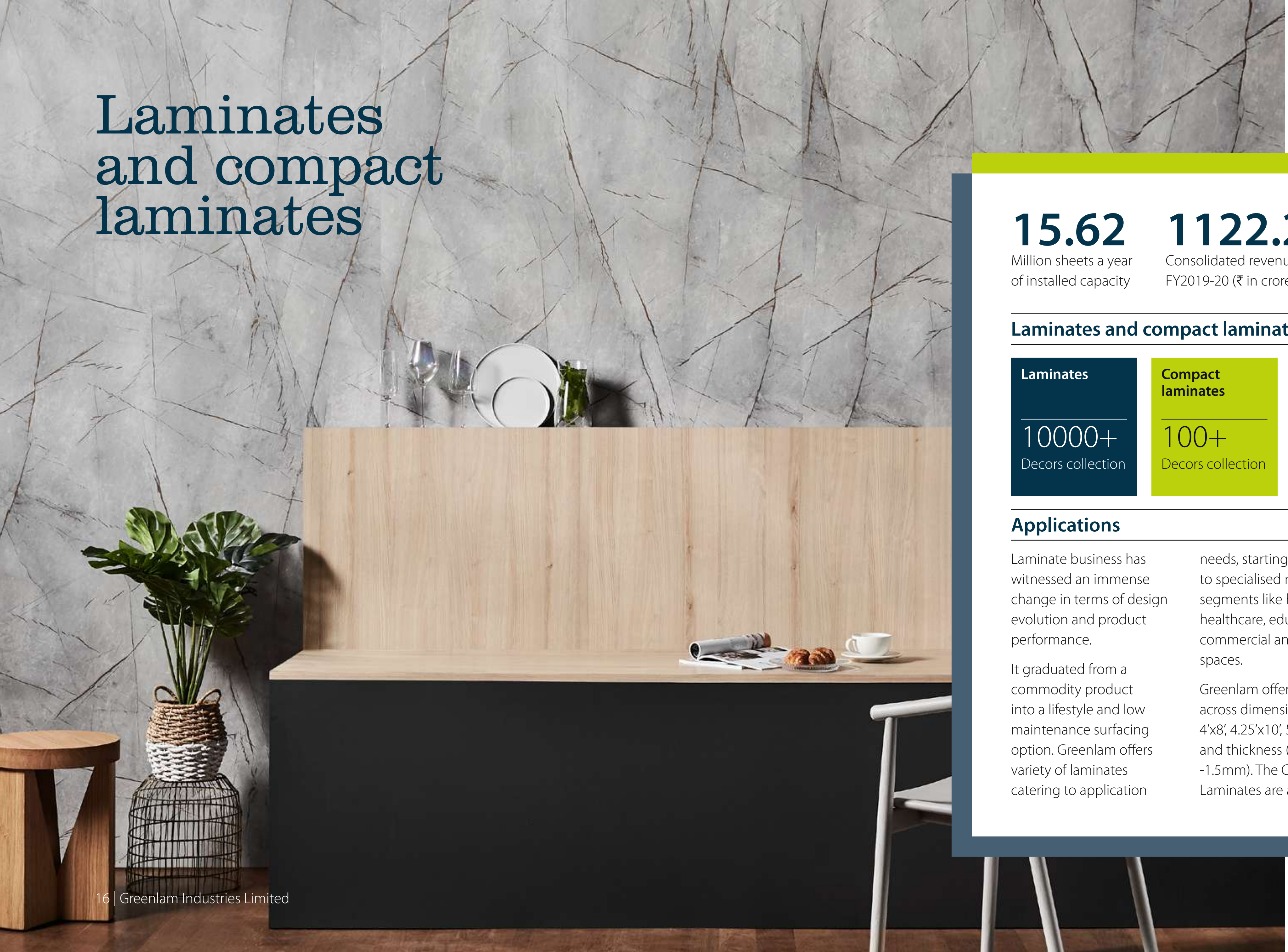
Our product categories

OUR PRODUCT CATEGORIES

Greenlam.

A conviction to be better than yesterday.

And the foresight to be better for tomorrow.



Laminates and compact laminates

15.62
Million sheets a year of installed capacity

1122.2
Consolidated revenues, FY2019-20 (₹ in crore)

Laminates and compact laminates

Laminates
10000+
Decors collection

Compact laminates
100+
Decors collection

Veneered laminates
200+
Natural veneer species

Veneered Compact laminates
20+
Natural veneer species

Applications

Laminate business has witnessed an immense change in terms of design evolution and product performance.

It graduated from a commodity product into a lifestyle and low maintenance surfacing option. Greenlam offers variety of laminates catering to application needs, starting from liners to specialised material for segments like hospitality, healthcare, education, retail, commercial and residential spaces.

Greenlam offers products across dimensions (3'x7', 4'x8', 4.25'x10', 5'x12', 6x12) and thickness (0.5mm -1.5mm). The Compact Laminates are available from 3mm to 25mm thickness. The products can be used on vertical and horizontal surfaces. They are available in an array of designs, colours and textures. These can be applied on almost every surface - table tops, doors, shelves and counters to reception desks and furniture.

Melamine-faced chipboard

Greenlam | MFC
PRELAM PARTICLE BOARD

2.00
Million sq. m production capacity annually

Products
34+
Decors

Applications

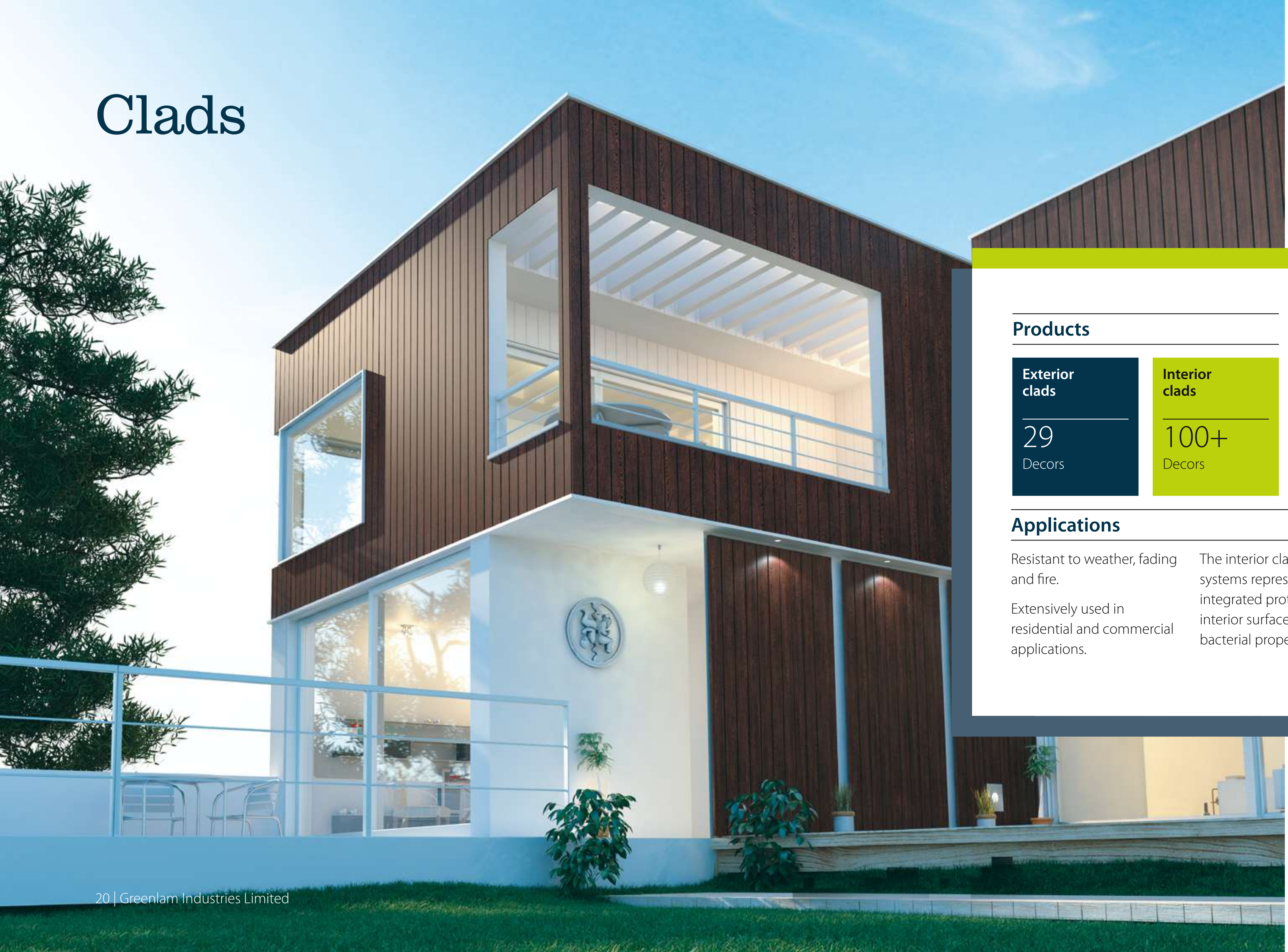
With the increase in organised carpentry (OEM) in India, the use of engineered wood like MFC is gaining pace in kitchen and modular furniture segment.

Engineered wood complements laminate sales with the OEM segment. The Company offers best-in-class quality comprising European and Japanese décor paper.

Greenlam's product comes in varied dimensions (4'x8', 6'x8', 6'x9') and thicknesses (9mm, 12mm, 18mm, 25mm) ideal for interiors and furniture surfacing.

The product is extensively used in commercial and residential applications across cabinets, shelves, partitions, office furniture, retail stores etc.

Clads



Products

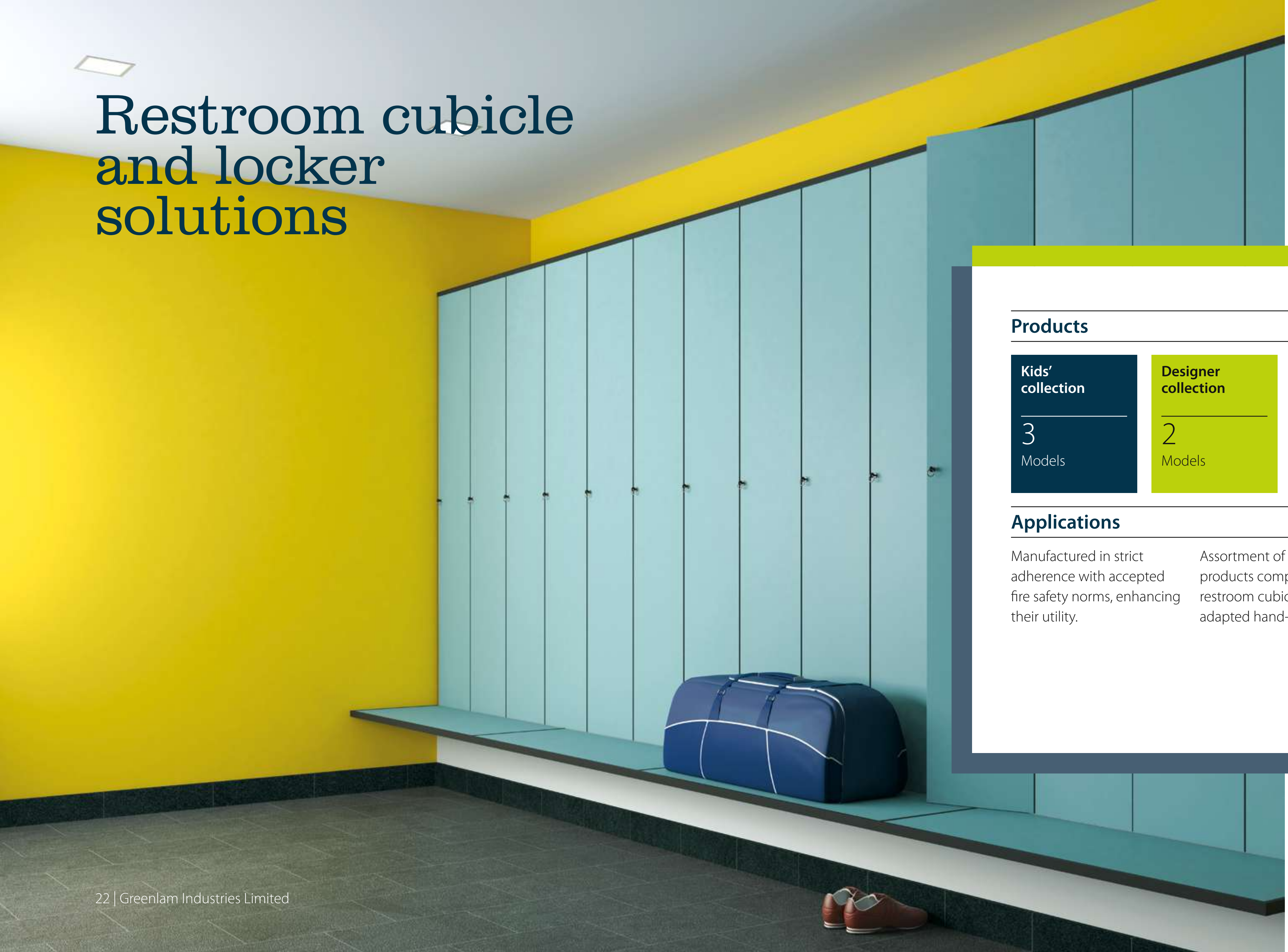
Exterior clads	Interior clads
29 Decors	100+ Decors

Applications

Resistant to weather, fading and fire.

Extensively used in residential and commercial applications.

The interior cladding systems represent fully integrated protection of interior surfaces. Anti-bacterial properties, impact and scratch resistance make them ideal in health care, education and commercial applications.



Restroom cubicle and locker solutions

Greenlam Sturdo

Products

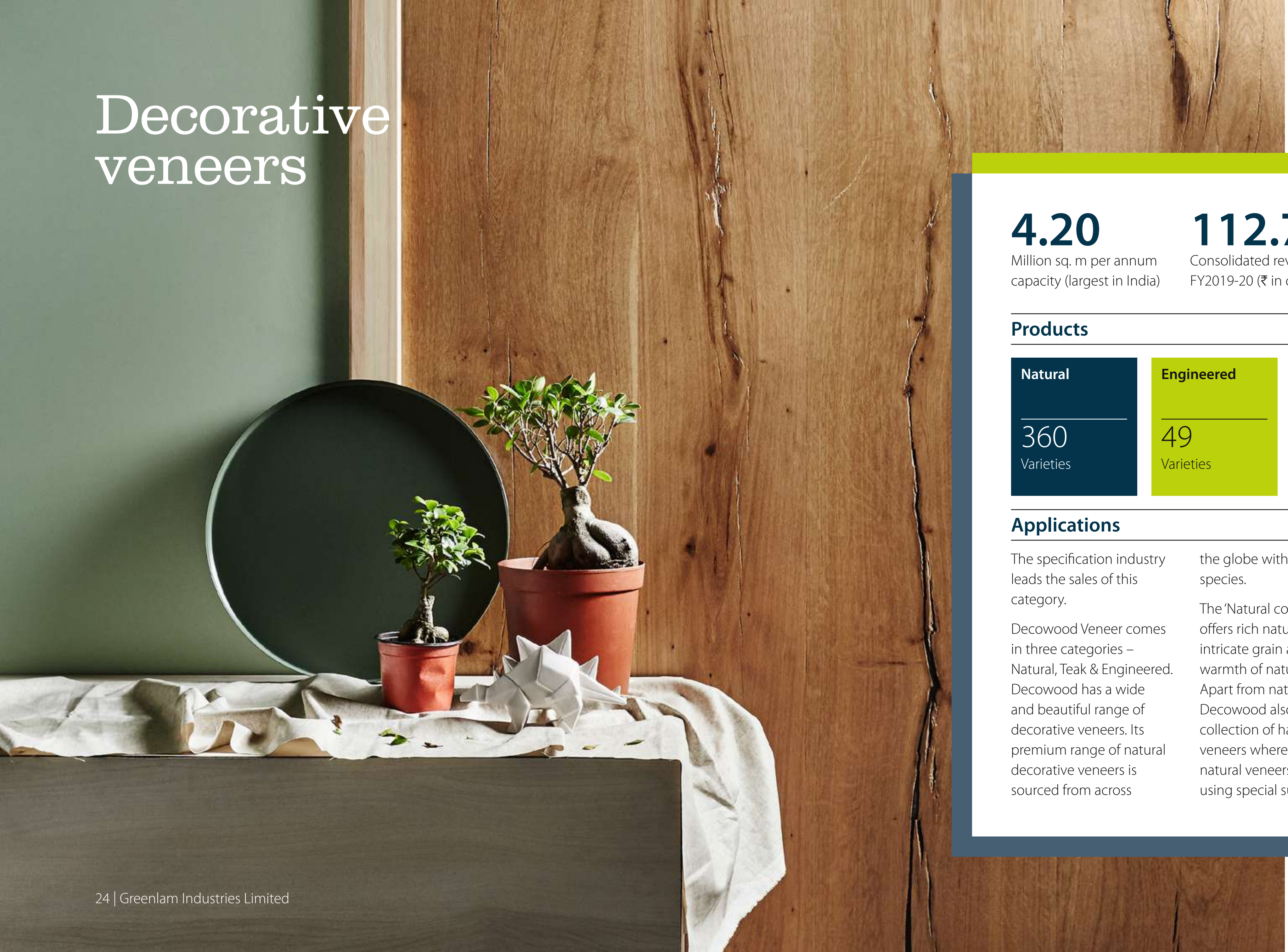
Kids' collection	Designer collection	Classique	Vibrance
3 Models	2 Models	6 Models	4 Models

Applications

Manufactured in strict adherence with accepted fire safety norms, enhancing their utility.

Assortment of restroom products comprising restroom cubicles, specially adapted hand-holds for the differently-abled and privy divider panels - a complete solution for commercial and public area applications.

Decorative veneers



decowood
PREMIUM VENEERS
NATURAL | TEAK | ENGINEERED

4.20
Million sq. m per annum capacity (largest in India)

112.7
Consolidated revenues, FY2019-20 (₹ in crore)

Products

Natural	Engineered	Teak & Noirwood
360 Varieties	49 Varieties	28 Varieties

Applications

The specification industry leads the sales of this category.

Decowood Veneer comes in three categories – Natural, Teak & Engineered. Decowood has a wide and beautiful range of decorative veneers. Its premium range of natural decorative veneers is sourced from across the globe with over 200 species.

The 'Natural collection' offers rich natural colours, intricate grain and the warmth of natural wood. Apart from natural veneers Decowood also offers a collection of hand-crafted veneers wherein the look of natural veneers is enhanced using special surface textures, treatments and patterns, giving customers a larger palate of woods to choose from.

Engineered wooden flooring

Mikasa REAL WOOD FLOORS

1.00
Million sq. m per annum capacity; first and only manufacturer in India

51.2
Consolidated revenues, FY2019-20 (₹ in crore)

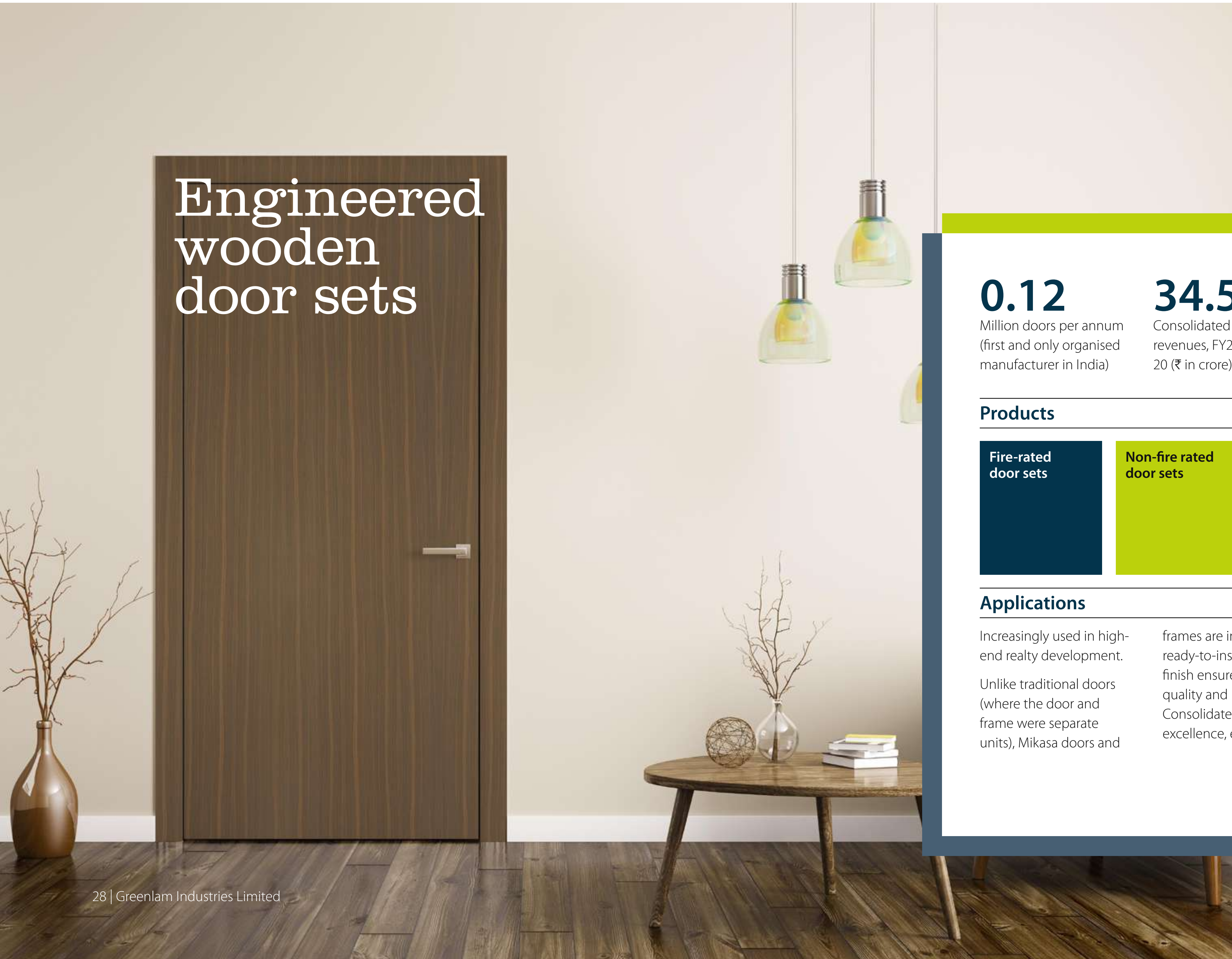
Products

Arbor	Atmos	Pristine
15 Collections	5 Collections	90 Collections

Applications

Mikasa offers unparalleled flooring solutions with its premium engineered wooden flooring. The engineered wooden flooring is used in both commercial and residential space. Made for the first time in India.

The wide collection aggregates the most exotic wood species from the world over. Mikasa offers a large collection of over 100 unique engineered wooden flooring products, which evoke free-flowing contours of peace, health and comfort.



Engineered wooden door sets

Mikasa DOORS & FRAMES

0.12
Million doors per annum (first and only organised manufacturer in India)

34.5
Consolidated revenues, FY2019-20 (₹ in crore)

Products

- Fire-rated door sets
- Non-fire rated door sets
- Specialty door sets
- Acoustic door sets

Applications

Increasingly used in high-end realty development.

Unlike traditional doors (where the door and frame were separate units), Mikasa doors and frames are integrated and ready-to-install. A factory-finish ensures consistent quality and unique designs. Consolidates beauty and excellence, engineered to perform. These doors and frames can be fabricated in any size and dimension.

Greenlam reinforced its position as a liquid and brand-driven business with a competitive advantage during the last financial year.

Overview

At Greenlam, we have always wanted to build a company that endures across market cycles.

During the year under review, we have validated this positioning. The Indian economy grew slower by an estimated 190 bps to 4.2%. Most companies were affected by a decline in liquidity however, Greenlam reported profitable growth as EBIDTA grew faster than revenues in percentage terms, indicating that the core of our business remained competitive.

Most companies were affected by inventory build-up and lengthening credit to trade partners, which in turn affected their Balance Sheet integrity. Greenlam reported a receivables cycle of 38 days of turnover, compared to 50 days in the previous year, which was creditable in the prevailing circumstances.

Most companies stretched their Balance Sheets as their higher, short-term debt affected working capital efficiency. Greenlam's net debt increased by a mere ₹4.43 crore following an investment of ₹45.4 crore in the wholly-owned subsidiary, Greenlam South Limited. However, the debt-equity ratio strengthened due to an increase in business sustainability.

This performance could have been better but for the migration of our ERP from SAP-ECC to SAP S/4HANA that affected operations (especially exports), during Q1 before the implementation stabilised, as well as the impact of the COVID-19 pandemic, carved away precious revenues during the last quarter.

So if there is an over-riding message that I should like to leave you with, it would be this: Greenlam reinforced its position as a liquid and brand-driven business with a competitive advantage during the last financial year.

Increasing relevance

Our vision for Greenlam was essentially to be a company, focused on specific product lines with a growing relevance in a modernising India. We believed that if we focused beyond me-too products with a competitive advantage, then it would translate into enhanced sustainability.

We did not just invest in these product categories, but also launched some of these product categories for the first time in India. We believed that interesting transformation stories were being played out and the Indian consumer was graduating from the conventional to the modern and moving from the age-old practice of having carpentry fabricated inside one's home to a willingness to buy pre-fabricated engineered products.

We backed our conviction by investing ahead of the curve and created infrastructure that sent out a message to our trade partners that we were here to stay. We convinced opinion makers and influencers that the country was at an turning point when it came to product preferences. The result is that we were not just focused on the transaction but positioned ourselves as missionaries focused on widening the market.

Most importantly, we resolved to build a company that would push sales only to the extent the market could bear, without compromising the integrity of our Balance Sheet. We believed that herein lay the secret of multi-year sustainability. If we built to a point where our terms of trade were skewed in the organisation's

OUR VISION FOR GREENLAM WAS ESSENTIALLY TO BE A COMPANY FOCUSED ON SPECIFIC PRODUCT LINES WITH A GROWING RELEVANCE IN A MODERNISING INDIA.

interest, where cash inflows were quick enough to moderate the cost of staying in business, where the operative word at our Company was 'cash flows' more than cash profit and where we prioritised liquidity over profitability, we would always be an attractively-sized company with a compelling Balance Sheet where the over-riding desire would be to be the best over simply wanting to be the biggest.

I am pleased to report that this singular obsession – best over biggest – is what has helped us emerge as a company with a credible Balance Sheet despite this period being one of the most challenging in recent times. Even as the Indian economy slowed from 7.4% GDP growth in FY2014-15 to 4.2% in the last financial year, Greenlam grew revenues at a compounded 7.4% and profit after tax at a compounded 35%. Further, the Company reported profitable growth in the last five years, strengthening EBIDTA margins by 380 bps to 13.5% in FY2019-20, repaying ₹98.5 crore of debt, increasing RoCE by 650 bps and strengthening our market capitalisation 2.7x through this period.

At the end of this five-year period, I believe that we validated the trust of our bankers, investing institutions as well as retail shareholders.

During the year under review, our consolidated net revenues grew 3.1% to ₹1320.6 crore compared to ₹1280.7 crore in FY2018-19. Our EBIDTA grew 12.4% to ₹178.2 crore. Our EBIDTA margin grew 110 bps to 13.5% in FY2019-20. In spite of loss of revenues in Q1 and Q4 due to reasons indicated earlier, we reported profitable growth which validates the robustness of our business model and managerial bandwidth. The Company introduced a new catalogue called Greenlam Collection 2020-2022 that enhanced brand respect, offtake and realisations. The strength of our international operations was showcased in dividend distribution by our US and Singapore subsidiaries during the year under review.

Navigating turbulence

We believe that this positioning is more relevant now than at any point in our existence.

The biggest Black Swan in our lifetimes – the COVID-19 pandemic - locked the world down from the last quarter of FY2019-20 and well into the first quarter of the current financial year. Sales all but disappeared, markets shut, factories ceased production and the engine that we had carefully created for years came to an abrupt halt. The result is that, Greenlam lost a notional ₹60 crore in March 2020 revenues, generally a month when we report our highest sales.

I cannot state that we had foreseen such a scenario because we had not. But what we had estimated was the need to create a company that would remain competitive across market cycles, would possess adequate liquidity through the most challenging markets and the debt on the books would not cloud our judgment when it came to retaining our prices and protecting our brand.

This is where we find ourselves now: There is a squeeze on cash flows for evident reasons but there is modest long-term debt on our books. There is a lockdown within India but we possess a broad presence across more than 100 countries (exports for the first time accounting for more than 50% of our laminate business revenues in FY2019-20); there is a pressure on realisations but we finished with our highest ever gross margin (sales less raw materials) of around 50%. The consumer sentiment is weak at the moment but we possess products and brands that will only become increasingly relevant across the future. There will be stressful times for our sector as our downstream demand creators (real estate sector) struggle to interest buyers but we possess one of the lowest cost structures to survive the downturn.

The Company responded with speed to the loss of business in the last quarter of FY2019-20 and the first quarter of FY2020-21 due to the pandemic impact. The Company moderated costs, focused on international sales, re-negotiated agreements with vendors and protected the integrity of the Balance Sheet.

In this hazy environment one would not risk any guesses on how the future will unfold. No financial guidance and no growth estimate will sound credible. Our financials for the current year will be affected. However, I must assure shareholders that our priority is to respond with the right balance of optimism and paranoia, question every cost, control receivables and reduce the 'burn cost' of staying in business. We are at an advantage due to business disruption challenges faced by the unorganised sector. In this cautious environment, the advantage of brand visibility, product dependability, deep engagements with trade partners, variety of what we offer and our broad based global presence, empower us to resist the slowdown better than most.

Seeking opportunities in the crisis

In this uncertain environment, we will encounter some wins and some losses. But by the virtue of having grown our business without consciously trying to expand the size of our Balance Sheet, we expect to emerge as the last person standing for some good reasons.

We possess a strong Balance Sheet in a competitive sector with a consolidated net debt of ₹263.4 crore as on 31 March 2020 at an average cost of less than 6%. Our net gearing was around 0.53 as on that date, which indicates that we are attractively under-borrowed to be able to see through the downturn.

We possess adequate room to negotiate the downtrend. The temporary working capital squeeze during the nation-wide lockdown has been addressed. The Company has not sought any moratorium or deferred payments. The Company possessed the cash flows to sustain capex during the current financial year while the greenfield Andhra Pradesh facility, initially scheduled for commissioning in Q4 of FY2021-22, is likely to be delayed owing to disruption caused by the COVID-19 pandemic.

We will continue to shift the needle towards credit discipline. We will continue to do what we have always done - create a consumer pull for our products, resist the temptation to feed longer credit terms and 'buy' sales. We expect to popularise our range of anti-bacterial laminates that we pioneered a decade ago but whose moment has now arrived.

We will leverage our presence in more than 100 countries, where we do not just export but possess teams recruited from those geographies to grow our presence. By the virtue of having stocked adequate material in these locations, we continued to sell in their secondary markets through our distribution networks even when our manufacturing facilities in India had been closed on account of the lockdown. We believe that this bottom-up global presence of >25 years makes us uniquely different from a number of Indian manufacturers who manufacture in India and seek to service international markets from long distance. Besides, we enjoy relatively modest market shares in a number of countries where we are present, indicating vast growth headroom.

We will leverage the value of our Customer Relationship Management module, strengthening our agility and flexibility. We intend to enhance our CRM platform capability to meet the requirements of OEM and trade business, building an even more robust platform to strengthen our marketing, building capabilities to develop partner eco-systems and supply chain optimisation.

We will benefit from the expansion of our Nalagarh facility, leading to a competitive capital cost per unit produced and a wider portfolio. The same was completed in the last financial year.

We believe that when the market recovers there will be a greater preference to work with organised brands over unorganised ones, widening the market for companies like ours. We feel that imports could decline (especially in the engineered wooden flooring and engineered door segments), creating a larger opportunity for world-class, home-grown brands like Greenlam. We believe that in this sectorial churn, local and regional companies could yield ground to large international brands like Greenlam. By the virtue of having acquired a distribution company in Switzerland in FY2019-20, we are attractively placed to penetrate the European market deeper.

We believe that the complement of a competent team, warehousing facilities and supply chain provides us with a competitive advantage to capitalise on the weakness of the market and capture additional market share. Travel restrictions will affect the import of products like engineered wooden floors and doors, creating a market gap that we expect to address.

We have for long focused on value-addition but as the consumer down-trades towards the commodity end, we expect to respond selectively to market dynamics, enhance an interiors pride and evoke trust equity among consumers as they buy our products of superior quality.

Conclusion

In this overview, I cannot assure the shareholder that everything is under control and possess a fair idea of how the consumer sentiment will pan out.

The reality is that we do not know when business conditions will revive.

However, what we do know is that our shock absorbers run deeper than most peers.

At the end of the day, pride of ownership usually prevails among consumers and if we continue to make the good, better, we could be among the first companies to take off when the mood revives.

Saurabh Mittal
Managing Director & CEO

Greenlam's response to COVID-19

Corporate level

Extensive preparedness and precautions

Employee safety

- High standards of safety and hygiene; social distancing and regular workplace sanitisation
- Mandatory Aarogya Setu check at various points
- Work from home adopted; only limited staff attended office

Liquidity management

- Complete financial prudence
- No loan moratorium sought
- No creditor payments deferred
- Adequate working capital limits
- Cost review and cost control

Customer management

- Enhanced client relationships through regular interaction
- Strict safety measures for all products dispatched from the factory
- A strict 3-level hygiene assurance for all products delivered
- Better engagement with customers
- Taken initiatives to insure contractors against COVID-19 infection
- Taken sanitisation drive at dealer's outlets and created awareness on social distancing and hygiene norms
- Digitalisation of the catalogues

Engagement with stakeholders

- Online engagement with all stakeholders

How we strengthened our business

Expansion

Expanded our Nalagarh facility to manufacture an additional 1.6 million laminates sheets per annum (from September 2019); total capacity for laminates increased to 15.62 million laminate sheets per annum.

New location

Announced laminate capacity expansion of 1.5 million sheets per annum under Greenlam South Limited, for ₹175 crore; the Company will enter new sheet and board categories; this will increase the Company's laminate capacity to 17.12 million sheets per annum and strengthen presence in the international markets where we see attractive headroom. Acquired a Switzerland-based distribution and marketing company to deepen our Central European footprint.

Platform

- Migrated SAP ERP from ECC to S/4HANA platform to streamline process efficiency, to enable faster decision making and to achieve better productivity.
- Initiated the CRM journey to meet the requirements of OEM and trade functions for better process governance and enhanced data access, bringing better customer-centricity.

Experience centre

The presence of an Experience Centre in Kolkata and various display centers across the country helped showcase the entire product portfolio.

New collection

Unveiled the new 'Greenlam laminates collection 2020-22' in India after its formal introduction in Baku, strengthening offtake.

The one thing we established in the last few years. *Business sustainability*

Overview

At Greenlam, we believe that multi-year business profitability is the principal index of success of our business.

This multi-year sustainability is derived from a prudent investment across all the drivers of the Company's business and their corresponding balancing. Besides, this sustainable development is directed to address the needs of today without compromising the ability of the community or succeeding generations to meet their needs.

The Company's sustainability has been aligned with United Nations' principles for responsible manufacturing leading to environmental sustainability across Human Rights, Labour, Environment and Anti-corruption. The result is that Greenlam is respected as a responsible corporate citizen.

Over the years, Greenlam made proactive investments in strategic sustainable initiatives, controls to check process deviations, outcomes better than prescribed norms, escalated process reporting directly to the Managing Director, provided relevant training to all employees and constantly monitored its sustainability performance. The result is that the Company's sustainability record has extended from mere regulatory compliance to forward-looking practices, strengthening business viability, liquidity and competitiveness.

The principal measures of our business sustainability

Revenues

1029.7
₹ crore, revenues, FY2015-16

1320.6
₹ crore, revenues, FY2019-20

Profitability

14.8
Return on Capital Employed %, FY2015-16

15.9*
Return on Capital Employed %, FY2019-20

Net debt

359.9
₹ crore, net debt on our books, 31 March 2016

263.4
₹ crore, net debt on our books, 31 March 2020

Earning per share (EPS)

15.69
₹, earning per share, FY2015-16

35.91
₹, earning per share, FY2019-20

*16.8% RoCE without considering investment in Greenlam South Limited (new capex)`

Our sustainability framework

Procurement economies	Procure the best quality of raw materials	Procure most economically	Procure sustainably
Manufacturing excellence	Maximise asset utilisation	Invest in cutting-edge technologies	Manufacture a range of products in a single location
Financial structure	Moderate debt and debt cost	Strengthened Balance Sheet	Focus on value-addition
People competence	Maximise human productivity	Strengthen the kaizen momentum	Deepen the culture of passion and outperformance
Distribution network	Deepen presence across 100+ countries	Reach products where consumers are	Strengthen engagements with primary customers (distributors and dealers)
Brand and customer capital	Invest in the over-arching Greenlam and other product brands	Widen the product portfolio and consumer choice	Launch products of the future; create markets
Environment integrity	Manufacture enduring products that moderate long-term resource consumption	Reduce the consumption of finite resources	Protect the region's environment balance
Community support	Provide community support especially in the regions of our manufacturing plants	Focus on integrated development	Enhance community welfare and confidence

The outcomes of our sustainability focus

Overall impact

Greenlam a market leader in its product niche	One of the lowest cost manufacturers	Among the three largest global laminate players	Strengthened RoCE by 650 bps in the last five years

Procurement economies	**140** bps	Decline in raw material consumption costs as % of revenues since FY2015-16	**3060** ₹ crore	Aggregate raw material consumption in the five years ending FY2019-20, leveraging procurement economies
Manufacturing excellence	**11.8**%	Average increase in laminate realisations since FY2015-16	**16.5**%	Increase in laminate production since FY2015-16
Financial structure	**26.8**%	Decline in net debt since FY2015-16	**310** bps	Decline in debt cost since FY2015-16
People competence	**14**%	Increase in revenues per person since FY2015-16	**250** bps	Increase in people retention over the last year
Distribution network	**16**%	Increase in channel partners since FY2015-16	**34.3**%	Increase in exports since FY2015-16
Brand and customer capital	**28.2**%	Increase in revenues since FY2015-16	**253** ₹ crore	Aggregate investment in brand for the five years ending FY2019-20
Environment integrity	**28**%	Reduction in water consumption in laminate manufacturing since FY2015-16	**15**%	Decrease in carbon compounds emission since FY2015-16
Community support	**68**%	Increase in CSR spending since FY2015-16	**64**%	Increase in people whose lives have been touched since FY2015-16

The Greenlam brand. Leading the trend.

The Company leveraged trends to enhance its visibility across countries. Making it possible to provide consumers the most contemporary styles.

'What's new?' Two words that define the personality of Greenlam.

During the year under review, the Company reinforced its position as a trend creator.

The Company continued to emphasise that its products represented not just the highest quality standards; they also represented the most contemporary designs.

This design relevance was enhanced by the Company's direct presence in more than 100 countries, making it possible to discern emerging preferences and productise new designs with speed.

During the year under review, Greenlam implemented its most decisive brand-strengthening initiative: it unveiled a new collection of Greenlam Laminates in Baku comprising 82 new decors and 3 new textures - Trace, Aria and Satin. This collection was based on 8 forecasted design trends, forming an integral part of the catalogue.

Launch of new designs

Greenlam is the flagship brand of Greenlam Industries. Greenlam Laminate launched its collection in December 2019. The Company engaged a renowned French designer who helped in putting the collection together. This involved extensive research and understanding of materials, colors, trends and designs. The Greenlam collection was inspired by eight key forecasted trends .

The decors and new catalogue approach was unique and disruptive, challenging convention. The catalogue received appreciation for its unique digital integration of the QR code and color tone format of presentation that facilitated easy selection. The QR code that accompanied every SKU, once scanned, provided the reader with detailed information of the specific SKU, full sheet product view, matching edge band details and product application reference for better visualisation. Greenlam launched this collection in a phase manner, with the first being launched across 2000+ key channel partners in the country and then within the architect and specifier community.

These new product designs are now synonymous with three words:

Design. Trend. Diversity.

The exciting face of Greenlam

Kitchen Solution: For a number of years, 'Greenlam' evoked the perspective of standalone products that were marketed to specifiers and opinion makers apart from actual consumers. During this period, Greenlam was seen a building block where its products needed to be complemented with other products with the objective to create a conclusive solution. During the year under review, Greenlam introduced a complete Kitchen Solution, enhancing convenience for customers and value-addition for the Company.

Flooring: The conventional perspective of flooring products manufactured by Greenlam was that these products would largely be marketed in India. During the year under review, the Company leveraged its superior product quality and adequate manufacturing capacity to commence flooring exports to 10+ countries.

Our designs

Scandi Nest

Scandi is offered in white and pastel, a minimalistic approach infused with calmness.

Urban Elegance

Led by grey tones, this palette provides strong character with the inclusion of marble and terrazzo.

Artisan

Influenced by 'handmade' trends, this product is for designers looking for a more hands-on attitude, natural feeling and elegance.

Timeless

This trend represents durability, traditional in terms of spaces that never go out of style.

Wild Side

Marked by an unconventional and bold design that provides a discerning look.

Deco Décor

This trend indicates elegance and sophistication, fusing materials like wood, marble, metallic, bright and contrasting colours.

Black Magic

Playing with drama, this product provides a contrast when teamed with white.

Contrast

Based on a contrast of material and colour, this trend plays with contrasting design elements.

Greenlam. Graduating the consumer experience to a *new level*

The Company undertook a range of marketing initiatives to excite consumers and sustain its growth with relevant and contemporary products that translated into year-on-year growth

New launch
The Company launched a new catalogue in December 2019, which received a terrific response from trade partners.

Revamping presentation
The Company refurbished its catalogue around eight emerging trends

Leveraging technology
The Company's QR code in its catalogue indicated the full image of the product.

Enhancing experience
The Company's one-of-a-kind Experience Centre in Kolkata, showcasing all Greenlam's product under one roof, enhanced visibility and consumer experience.

Cost-effective
The Company covered more than 500 counters and introduced new laminate display formats covering over 200 SKUs.

Community engagement
The Company trained employees to deepen engagements with architects, contractors, builders etc.

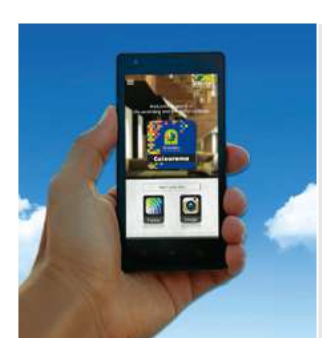
In-shop branding
The Company took an in-shop branding drive at 2000+ retail counters, highlighting the new collection.

Personal touch
The Company conducted a one-on-one presentation with large institutions, enhancing its commercial revenues.

Focused
The Company strengthened product display, revamping shop-in-shop presentation across more than 50 counters.

Positioning
The Company positioned itself around the holistic transformation of interior and exterior spaces, deepening its customer engagement.

Customised
The Company graduated from general branding/ marketing to a customised and focused approach, enhancing impact.



The exciting face of Greenlam

Mobile apps: In a world where most decisions are made on the basis of what consumers see on their smart phones, there is a premium on showcasing products and services on mobiles. In the last few years, Greenlam launched a number of functional mobile apps across all categories (laminate, flooring and veneer) enhancing the speed and quality of decision making.

Greenlam. Creating consistently world-class products *to enhance consumer delight*

Overview

In a business where products need to be used across the years, resisting high footfalls and needing to remain aesthetically attractive, there is a priority in using world-class technologies, manufacturing around a high quality standard, maintaining quality consistency and doing all these around a globally competitive cost.

At Greenlam, it is our constant endeavour to bring the best in surfacing products to our consumers. We provide the anti-bacterial property as a standard offering across our entire range of Greenlam Laminates and Greenlam Compacts. We bring to our customers superior quality, hygienic and germ-free products that help them redefine their interior spaces.

Highlights, FY2019-20

During the year under review, the Company strengthened its manufacturing competence through the following initiatives:

- Enhanced production efficiency through the addition of high productive impregnation lines, upgrading and enhancing capacities of utility facilities and adding a 1.3M x 3.05M press line
- Increased the utilisation of the Mikasa Doors manufacturing facility
- The Company produced a higher volume of value-added products (kitchen and work top range compacts)
- Strengthened investments in pollution abatement equipment (wet scrubbers, online monitoring of flue gases and their composition)
- Added product features through the addition of manufacturing capabilities (jump saw installed in the Mikasa flooring plant; edge banding machine was added to Mikasa door equipment; new texture profiling machinery was added for Decowood)
- Moderated manufacturing costs and resource consumption through an investment in a thermopack in Behror that replaced the conventional steam-producing utility equipment, saving water and heat input costs
- RO water recovery and recycling commenced in both plants
- Conducted resin plant modifications to reduce batch cooling time, increasing resin plant capacity by 25%
- Strengthened product quality with a long-term warranty following product life cycle studies

Strengths

- The proprietary technology used by the Company has been validated
- The Company's manufacturing process enjoys product quality consistency
- The technology has accommodated continuous process improvement to deliver different sizes, product variants and combinations
- The Company possesses the capability to manufacture a range of interior and exterior decorative solutions, engineered doors and real wood flooring

Outlook

- The Company's medium-term manufacturing strategy is to focus on higher productivity and quality yields of value-added products and enhance the asset utilisation of the Mikasa Doors and Mikasa Flooring Plant to full capacity. The long-term manufacturing outlook is to set-up a manufacturing facility in Southern India, which can accommodate future expansion in similar and allied categories
- During the current financial year, the Company intends to launch laminates with anti-virus attributes to retard viruses that come in contact with it. The Company's in-house R&D team has geared up for this revolutionary product development. This will be in addition to the Company's existing product offering with anti-bacterial and anti-fungal attributes
- The Company intends to get its manufacturing facilities certified for ISO 45001, which would help it emerge as one of the first companies in the laminate industry to achieve this

Our quality certifications

Product certifications

- IS License for HPLs, Decowood, MFC etc.
- EN test certificates of conformance
- Specific requirement tests and certificates like Green Guard, NSF, Anti-bacterial, Anti-fungal, etc.
- Q Mark
- Fire Rating certificates for Mikasa Doors

System certifications

- ISO 9001, 14001 and 18001
- FSC
- SEDEX
- Product and System certificates: CE, TIS, etc.

The exciting face of Greenlam

Capacity addition: Greenlam's laminate manufacturing capacity was sized for the Indian and traditional global markets. Despite the Company's products available across more than 100 countries, its European potential remained under-consumed on account of specific sizes and textures required in those nations that Greenlam did not produce. During the year under review, Greenlam added capacity of 1.6 million sheets per annum to address these markets with customised sizes/textures that could enhance market share.

Greenlam. Effective distribution network

Greenlam reinforced its position as one of the three largest laminate brands in the world through various business-strengthening initiatives in FY2019-20

Priority: With the world expected to see restricted physical movement and increasing virtual interaction, there is a premium on adapted distribution networks that provide on-demand material with the objective to minimise visiting various shops.

Value: Greenlam provides products on call, leveraging its extensive network – one of the few companies in India with multiple offices across the world.

Visibility: The Company participated in the world's largest laminate exhibition – Interzum in Germany - for more than 10 years, enhancing trade visibility. The Company participated in Surfaces, an exhibition in the Middle East, and Domotex in Germany and Shanghai for the promotion of its wooden flooring brand Mikasa.

Products: The Company strengthened its value-added product mix, addressing overseas markets. It introduced new collections, products and right-sized the products offering, which is expected to catalyse offtake and address a wider base.

It also launched the Greenlam 'Stratus' Worktop Collection to deepen its presence in the European kitchen worktop market. With the introduction of veneer products comprising different backing options it, addressed large OEMs in the veneer category.

Presence: The Company engaged with specifiers in Africa; it enhanced visibility in specifier-led markets (London / Dubai / Singapore), leading to sales in other project-located geographies; flooring sales in UK, China, Singapore, Malaysia, Middle East, Sri Lanka, Bangladesh and Bhutan widened geographic diversification.

Engagements: The Company intensified its focus on specifiers with various brand engagement activities.

The exciting face of Greenlam

For long, consumers told us, 'We make our decisions to buy based on just a swatch where the chances of making a mistake are high'. At Greenlam, we addressed this consumer concern by introducing Greenlam Laminates Colourama, which is every interior designer and architect's go-to-app. In just a few seconds, it can turn one's inspiration into reality. When the consumer clicks an image and selects a colour from the palette, the app 'matches' it to Greenlam's extensive library of laminates, accelerating product selection and finding complementary laminates and edge band options as well - a painstaking exercise resolved in a few minutes!

Greenlam. Responding with speed to evolving *market dynamics*

Overview: Greenlam responded with deeper engagements across specifiers (architects, contractors, designers and retailers) to drive laminate and veneer offtake.

Responsiveness: The Company responded with product innovation and faster turnaround of veneers (to be subsequently cut, polished and used in products) to make it time-competitive with substitutes. It introduced pre-polished/factory polished veneers with better and faster finish. It launched two new catalogues (Decopedia and Decowood specials).

Visibility: The Company conducted a design contest (Decowood Design Diva) that attracted participation from ~700 participants in its fourth season. It engaged with Architectural Digest for enhancing its market presence. It conducted knowledge trips of architects to its different locations to help them enhance product and trend understanding. It sustained its Achievers Club from among contractors and introduced Monarch Clubs for dealers.

During the pandemic when physical movement is restricted, Decowood has scaled its on-line web selection portal, which enabled all specifiers and trade partners to select from factory stocks from the comfort of their homes.

Product mix: The Company launched Greenlam Stratus (kitchen worktop solutions) in Europe that comprised breakfast bar, work tops, back splashes and skirting (retailed as end products). The Company's anti-bacterial laminates could see better prospects after COVID-19.

The exciting face of Greenlam

Compact panels: There is a greater use of compact panels in furniture and paneling. These products are being increasingly used in healthcare, education and commercial spaces. Besides, rest room cubicles made of compact laminates are replacing brick and mortar (saving water, labour, building load, cost and maintenance). Exterior grade compact panels are gaining popularity as new age façade solutions (for resistance to color fading, fire and graffiti).

Greenlam. Focused on emerging segments that enhance *convenience*

Overview: In the interior infrastructure sector, there is a premium on the need to introduce new products that enhance aesthetics and convenience without compromising the overall price-value proposition.

Product mix: The Indian flooring market is import-dependent; the Company engaged Indian retailers who imported these products to provide them with a wider product range under a trusted Indian brand. A large distribution network empowered the Company to widen the physical reach of Mikasa Floors and offered customisation appropriate for this product range.

Footprint: The Company has a network of more than 200 active dealers in India marketing flooring products, apart from projects and contractors.

Choice: The Company trained ~150 installers for smoothening the process. It launched new collections and customised products based on consumer preferences. It enhanced focus on providing doors for builders in major urban markets (bagging prestigious projects for Oberoi and Lodha in Mumbai). It introduced the Dura collection for the price-sensitive mid-housing segment. It launched veneer and laminate doors, enhancing synergy. It focused on producing fire-resistant doors; it collaborated with the fire authorities to introduce fire safety norms for the product. Its fire-rated doors were preferred in the Middle East and Europe; international designers engaged in Indian projects specified Greenlam's fire-rated doors.

Outcome: The Company's revenues from engineered wooden flooring and engineered wooden doors grew at a CAGR of 25.8% and 101% respectively in the four years ending FY2019-20.

The exciting face of Greenlam

Catalogue: In a world with fast-changing consumer preferences, there is a premium on the ability to remain relevant. In view of this, Greenlam introduced a game-changer: its new global catalogue that was introduced during the year under review. This catalogue comprised a range of designs under eight exciting themes, bringing a refreshing face to the Company's portfolio. The catalogue was well-received, generating a large quantum of incremental orders, transforming the Company's image from a manufacturing-driven business to a market-facing organisation.

An integrated report of how we enhance *value*

There is a growing importance of the Integrated Value-Creation Report. This approach overcomes the limitations of the conventional approach through a comprehensive framework that integrates 'hard' and 'soft' initiatives.

Integrated reporting draws different reporting strands (financial, management commentary, governance and remuneration, and sustainability reporting) into a unified whole that explains an organisation's ability to create, enhance and sustain value.

Integrated reporting explains to providers of financial capital how an organisation enhances sustainable value. The impact of such an Integrated Report extends beyond the financial; it enhances understanding across all stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers) focused on an organisation's ability to enhance value in an enduring way.

In an Integrated Report, the shift from the 'hard' to 'soft' (non-financial data) helps screen more comprehensively, addressing the needs of the investor fraternity/ government agencies.

The relevance of our sector

Rising population: By 2027, India is projected to overtake China as the world's most populous country. India is adding nearly 15 million people to its population every year, the largest annual increment anywhere. This will ensure that the Company's addressable market will grow sustainably.

Urbanisation: Currently, 34% of India's population is urban, which is expected to increase to 40% by the end of 2030, even as the population becomes larger. This is expected to drive the laminates market.

Real estate development: This Indian sector is expected to reach a market size of US$ 1 trillion by 2030 from US$ 120 billion in 2017. Increasing share of real estate in India's GDP is likely to be supported by increasing industrial activity, improving incomes, growing aspirations and urbanisation. Further, the size of the organised global real estate investment market grew by 7.8% from US$ 8.9 trillion in 2018 to US$ 9.6 trillion in 2019, driving the laminates market across the globe.

Addressable market: India needs an estimated 18.78 million more homes over the years, ensuring adequate room to generate multi-year growth, translating into a widening market for laminates and allied products.

Growing awareness: Following the rise of social media, consumers are selecting to spend more on aspirational living and thus are exploring modern ways to surface the houses.

Greenlam's resources

Financial capital: The financial resources that we seek are based on funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth and accruals.

Manufactured capital: Our manufacturing assets, technologies and equipment for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.

Human capital: Our management, employees and contract workers form a part of our workforce, the experience and competence enhancing value.

Intellectual capital: Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge account for our intellectual resources.

Natural capital: We depend on raw materials sourced from nature and try to moderate emissions, water consumption and power consumption, indicating a modest impact on the natural environment.

Social & Relationship capital: Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

Greenlam's performance

Capacity utilisation
The capacity utilisation of laminates, veneers, engineered wooden flooring and engineered wooden doors stood at 92%, 38%, 21% and 29%, respectively in FY2019-20.

Operational footprint
Greenlam deepened its footprint not only in the country, but across the globe, strengthening its laminates and allied business. As a result, the Company has been addressing more people across the world, strengthening its presence.

Financial leverage
Greenlam's gearing of 0.53 as at 31st March 2020 indicated the availability of adequate borrowing room. The Company reported an interest cover of 10.48 in FY2019-20.

Human resources
Greenlam emerged as one of the better employers in the industry, with a senior management retention, which was higher than employee retention. The result is that Greenlam is respected as one of the most knowledgeable companies within its sectors, influencing the quality of decision-making and market responsiveness.

Value created by our Company in FY2019-20

Financial capital

1320.6
Turnover
(₹ in crore)

35.9
Earnings per share
(₹)

1199.82
Market capitalisation
(as on 31st March 2020)
(₹ in crore)

Manufactured capital

92
Capacity utilisation of laminates (%)
(on proportionate enhanced capacity)

Human capital

4500+
Workforce (as on 31st March 2020)
(including contractual manpower)

150+
Remuneration paid
(₹ in crore)

10000+
Total hours of training imparted
(person-hours)

Intellectual capital

250+
New recruits

50+
Permanent employees associated with the Company for five years or more (%)

Natural capital

3000 KL
Reduction in water consumption in laminate manufacturing

21
Electricity consumption reduced due to increased use of alternative energy (%)

330 bps
Reduction in carbon footprint

Social and relationship capital

>14000
Number of distributors, dealers and retailers associated with the Company

30000+
Number of CSR beneficiaries

Value shared with

Investors
The Company enriched investors through dividends and capital appreciation.

Suppliers
The Company maintained a healthy and longstanding relationship with its suppliers.

Employees
The Company employed best practices to ensure workplace safety and enhance communication amongst its employees.

Government and regulations
The Company ensured regular payment of duties and taxes; it paid ₹60 crore to the exchequer in India in FY2019-20.

The sector's criticality and Greenlam's *strategy*

Strategic focus	Innovate and excel	Cost advantage	Supplier of choice	Robust people practices	Responsible corporate citizenship
Key enablers	• Reinforced a culture of innovation and outperformance by deploying dedicated teams. • Invested in best-in-class technology, compared to international standards • Introduction of various value-added products with low market penetration at the moment	• Managed costs by negotiating mutually-beneficial terms of trade as well as investing proactively in superior equipment, capacity scale-up and operational integration, among others. • Largest laminate manufacturing capacity in Asia, providing economies of scale	• Focused on improving product quality through market research • Emerged as the supplier-of-choice for various builders, constructors, interior designers and architects	• Facilitated all-round employee development through various initiatives • Increase in permanent employee count from 1668 on 31 March 2015 to 1944 on 31 March 2020	• Focused on sustainability by complying with environmental norms, investing in renewable energy-generating capacities and recycling resources • Invested ₹1.68 crore in FY2019-20 on CSR activities
Material issues	Invested in improving efficiencies and upgrading technology.	Improving terms of trade and strengthening economies of scale.	Produced quality products that were accredited with relevant certifications.	Focused on better engagement and training of employees.	Focused on community well-being.
Capital impacted	Manufactured, Intellectual and Financial	Financial and Social & Relationship	Intellectual, Manufactured and Social & Relationship	Intellectual and Human	Social & Relationship and Natural

Engaging our stakeholders

Greenlam recognises the importance of fostering relationships with key stakeholders through transparent, sincere and effective engagement. The Company intends to improvise its established credibility and rapport

Stakeholder group	Greenlam's considerations	Stakeholder interests	How we engage	Capitals impacted
Customers	Greenlam's products are used by these stakeholders and therefore it is imperative that they are fully aware of the benefits and impacts of products while the Company needs to have a thorough understanding of customer perceptions and expectations	• Quality and affordability • Consistent, reliable and on-time supply of product • Impact of quality or efficacy concerns that may arise	• Engage with dealers, architects, designers and retailers • Open communication with customers through commercial discussions and meetings • Superior brand recall	Intellectual, Manufactured
Government & competent authorities	The Company's ability to produce, market and distribute products is dependent on concerned regulatory policies and approvals	• Legal and regulatory compliance • Affordable outcomes • Social and environmental impact of operations • Tax revenues and investments	• Audits of manufacturing sites by regulatory authorities to ensure Good Manufacturing Practice (GMP) and regulatory compliance • Participation in industry bodies • Reports and interactions aimed at confirming legislative and regulatory compliance policies and processes • Involvement in government programmes aimed at creating jobs and uplifting disadvantaged communities	Manufactured, Social & Relationship, Natural
Employees	Employees play a critical role in ensuring the Company achieve its strategic objectives. The Company needs to understand the requirements, challenges and aspirations of this important stakeholder group	• Job security • Equitable remuneration packages, performance incentives and benefit structures • Diversity and inclusivity • Performance management, skills development and career planning • Reputation as an ethical employer • Employee health, safety and wellness	• Direct engagements by supervisors and business management • Conferences and town hall meetings • Induction and internal training • Employee wellness campaigns	Human
Suppliers, consultants and business partners	These stakeholders play an important role in enabling the Company to meet its commitments to customers	• Fair engagement terms and timely settlement • Ongoing communication of Greenlam's expectations and service levels provided • Fair selection processes	• One-on-one meetings to discuss service levels or other commercial aspects • Interactions regarding safety, health, environmental and ethical compliance	Social & relationship, Financial
Investors and funders	As providers of capital, these stakeholders require to be kept informed of material developments impacting the Company and its prospects	• Growth in revenue, EBIDTA and returns on investment • Appropriate management of capital expenditure, working capital and expenses • Gearing, solvency and liquidity • Dividends • Security over assets, ethical stewardship of investments and good corporate governance • Fair executive remuneration	• Dedicated investor and analyst presentations and one-on-one meetings • Stock exchange announcements, media releases and published results • Annual General Meetings • Engagements with the financial media	Financial

Caring for the community

Overview

Greenlam Industries Limited believes in giving back to stakeholders to strengthen the fabric of society. Its CSR programs have focussed on national priorities and regional needs.

Greenlam has been contributing to economic development and improving the quality of life of communities especially around its manufacturing plants, ensuring long-term sustainable change in multiple impact areas. The Company engages in its focus areas of education, health and community well-being in Rajasthan (Behror), Himachal Pradesh (Nalagarh) and a foster home supporting 12 girl children in Ghaziabad.

Greenlam's broad interventions encompasses education, healthcare and community development. The Company contributed ₹1.68 crore in FY2019-20 for the development of communities.

Partnerships helping Greenlam with the ground work

- **CSR consulting partner:** Sattva Consulting
- **Implementing partners:** Mamta, Pratham, Udayan Care, SARD, End Poverty, H. H. Mehta Charitable Trust
- **Government institutions:** Panchayats, Block Officers, SMC, TMC, ASHA & ANM
- Community leaders

BEHROR

Education

- The Company helped conduct mathematics and language classes for students and undertook intensive community-driven activities to create a sustainable learning space for children.
- The Company believes that parents' involvement takes students' learnings a long way. Greenlam focused on various capability building programmes for parents, who can, in turn, contribute to the learnings of their children.
- The Company created playscapes in schools to improve attendance, retention and learning outcomes.

Healthcare

- Strengthened and empowered communities by focusing on improving health and nutrition of mothers, newly-born babies and adolescents.
- The Company helped create mothers' groups, youth information centres and special parenthood clubs for first-time parents.

NALAGARH

Education

- Greenlam focused on the creation of children resource centres and interacting with different community members to increase community awareness about education, preventive health care and sanitation.
- The Company held mathematics and language classes for students and undertook intensive community-driven activities to create a sustainable learning space for children.
- The Company focused on capability-building programmes for parents, ensuring improved learning for their children.

Healthcare

- Greenlam focused on improving health and nutrition of mothers, newly-born babies and adolescents.
- Creating mothers' groups, youth information centres and special parenthood clubs for first-time parents. The Company focused on the sensitisation of adolescents and husbands on issues related to health and sanitation.

MUMBAI

Healthcare

Greenlam promoted the use of medical equipment like micro drills, insulin and other laboratory items for improving health outcomes.

GHAZIABAD

Community well-being

Greenlam supports foster care for girl children and helped with their overall well-being. The foster care home is a safe place for these girls, some of whom are teenagers, provided with food, care, safety, protection and education in a homely environment. The intent of the support is to help them become independent.

Influencing lives of...

1879
Mothers and children

68
Villages

800+
Students

Statutory Section

Directors' Report

FOR THE FINANCIAL YEAR 2019-20

Dear Shareholders

Your Directors have the pleasure in presenting the 7th Annual Report on the business and operations of the Company along with the Audited Financial Statements of the Company for the financial year ended March 31, 2020.

Financial Highlights

(₹ in lakh)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Profit before Finance Cost, Depreciation & Amortisation Expenses and Tax Expenses*	**18,358.35**	**14,061.31**	**18,266.40**	**16,005.17**
Less: a) Finance Costs	2,029.91	1,545.99	2,183.67	1,696.14
b) Depreciation & Amortisation Expenses	4,897.54	3,403.79	5,249.24	3,683.96
Profit before Tax	**11,430.90**	**9,111.53**	**10,833.49**	**10,625.07**
Less: Provision for taxation	2,168.17	2,603.28	2,166.18	2,913.84
Less: Non-controlling Interest	-	-	0.54	-
Profit for the year	**9,262.73**	**6,508.25**	**8,666.77**	**7,711.23**
Add: Other Comprehensive Income (OCI) (Net of taxes)	(126.79)	57.36	250.41	244.12
Total Comprehensive Income (Net of taxes)	**9,135.94**	**6,565.61**	**8,917.18**	**7,955.35**
Add: Balance brought forward from previous years	23,077.19	17,739.02	24,613.95	17,886.04
Amount available for appropriation	**32,213.13**	**24,304.63**	**33,531.13**	**25,841.39**
Appropriations:				
Less: Dividend paid on Equity Shares	1,689.55	603.41	1,689.55	603.41
Add: Profit Attributable to Non-Controlling Interest	-	-	0.54	-
Add: OCI Attributable to Non-Controlling Interest	-	-	0.13	-
Less: Tax paid on distribution of dividend	2.33	124.03	2.33	124.03
Less: Transferred to General Reserve	500.00	500.00	500.00	500.00
Balance carried to Balance Sheet	**30,021.25**	**23,077.19**	**31,339.92**	**24,613.95**

*Including other income

Operations and State of Affairs of the Company

During the financial year 2019-20, your Company clocked a growth of 4.3% in total income to ₹1,24,986.97 lakh as against ₹1,19,813.76 lakh in the previous year, despite the slowdown in Q1 and Q4 owing to ERP migration and COVID disruption respectively. Further, the exponential growth of 42.3% in net profit to ₹9,262.73 lakh from ₹6,508.25 lakh in the previous year on the backdrop of the tailwinds from the corporate tax relaxation and receipt of dividend from our subsidiaries in Singapore and USA. This performance is driven by price improvements, better product mix, focused operational efficiency and a disciplined approach in commercial operations which needs to be viewed against the backdrop of a challenging business environment, namely, weak real estate sales and subdued consumer sentiments coupled with the outbreak of COVID-19 pandemic. Moreover, the building material sector witnessed muted performance in this year as well.

Laminates and allied products accounts for a lion's share of 84.1% of our sales and in financial year 2019-20, sales grew by 3.3% to ₹1,03,247.10 lakh. The veneer and allied products contributes 15.9% to our total sales. Veneer sales stood at ₹11,272.42 lakh for the financial year 2019-20. In the engineered wooden flooring business, your Company clocked sales of ₹4,836.10 lakh for financial year 2019-20, growing by 12.2%. In the engineered wooden door sets business, sales grew by 50.0% to stand at ₹3,366.54 lakh in financial year 2019-20.

During the financial year 2019-20, your Company recorded a growth of 11.7% in export turnover from ₹42,966.12 lakh to ₹47,993.71 lakh and export incentive increased from ₹3,508.03 lakh to ₹3,797.76 lakh.

As per the Consolidated Financial Statements, total income and the profit after tax for the financial year 2019-20 stood at ₹1,32,500.24 lakh and ₹8,667.31 lakh respectively.

During the financial year 2019-20, your Company intensified its efforts in the area of product integration and market penetration. Your Company continued to expand its export markets for Laminates and allied products.

The overall performance of the Company during financial year 2019-20, amid a challenging economic scenario, reinforces the effectiveness of the initiatives undertaken by Greenlam's Management leveraging better business opportunities.

COVID-19, impact, measures and opportunities

Impact

During the last month of financial year 2019-20, a lockdown was imposed to contain the spread of corona virus (COVID-19) pandemic. This caused unprecedented business disruption and a temporary suspension of our operations at the manufacturing facilities in Behror and Nalagarh from March 22, 2020 and March 24, 2020 respectively. The corporate office, branches and warehouses were closed in line with the Government's directives; employees were advised to work from home.

Sales in the last month of 2019-20 were impacted resulting in a notional loss of ₹60 crore at a time when the Company generally reports its highest sales in March. This had a consequential impact on profitability for 2019-20. Due to the continuing lockdown, April 2020 was a washout as well; with the easing of lockdown restrictions, May and June 2020 reported a gradual sales recovery.

The greenfield Andhra Pradesh facility, scheduled for commissioning in Q4 of FY 2022, is now likely to be delayed owing to the Covid-19 pandemic impact.

Once restrictions ease, the scenario could improve progressively.

Measures

After obtaining permission from the appropriate authorities, the production and operations at the manufacturing facility located in Behror resumed from April 20, 2020 and in Nalagarh from April 25, 2020 with precautionary hygiene, safety measures and sanitization. The corporate office, branches and warehouses resumed phased operations from May 04, 2020.

The management made a detailed assessment of its liquidity for the current financial year and carrying values of its assets. In assessing recoverability, the Company considered internal and external information and concluded that there was no material impact on its receivables and no immediate need for assets impairment due to COVID-19.

The Company responded with speed to the loss of business: it moderated costs, focused on international sales and re-negotiated vendor agreements. The Company did not avail of any moratorium offered by the Reserve Bank of India; it serviced debt obligations as and when due without delay. The Company possessed unutilized working capital limits to support liquidity requirements; it moderated costs and conserved cash across levels and these measures are expected to yield benefits.

Employee safety remained the Company's priority. Employees in containment zones were instructed to work from home; international and domestic travel was restricted. Employee safety was assured through the mandated use of protective gear (masks, goggles, face shields); employees were advised to download the *Aarogya Setu* app launched by the Government of India and monitoring the same. Safety protocols of temperature sensing, social distancing, sanitizing and washing hands were adhered to.

The Company checked employees working across plants to ensure adherence with guidelines by appropriate authorities. The Company ensured that all employees were covered for health insurance (Group Mediclaim Policy/Employee State Insurance) coupled with periodic office and warehouse fumigation. All employees were provided face mask and the field sales team were provided face shields as well coupled with safety advisory.

Social distancing in the production area, canteen, plant entry and exit points were strictly carried out. Cleanliness and fumigation drives in the staff and workers' quarters were conducted. Sanitization of dispatches and career vehicles enhanced customer confidence.

The Company intensified engagements with dealers and took initiatives to insure contractors against COVID-19 infection; it undertook sanitization drives at dealer outlets coupled with awareness on social distancing and hygiene norms. All product catalogues were digitalized.

By the virtue of having stocked adequate material in different locations abroad, the Company continued to market in secondary markets through distribution networks even when the manufacturing facilities in India had been closed on account of the lockdown.

The Company will leverage its presence in more than 100 countries, where it does not just export but possesses teams recruited from those geographies.

The Company possessed cash flows to sustain capex during the current financial year.

The Company directed its in-house R&D team to work on developing laminates with anti-virus attributes.

Opportunities

The Company expects to popularize anti-bacterial laminates that it pioneered a decade ago but whose moment has now arrived.

The bottom-up global presence of >25 years makes the Company uniquely different from a number of Indian manufacturers who manufacture in India and seek to service international markets long-distance. Besides, the Company enjoys relatively modest market shares in countries where it is present, indicating a growth headroom. It believes that when the market recovers there will be a greater preference to work with organised brands over unorganised ones, widening the market for companies like Greenlam. Imports could decline (especially in the engineered wooden flooring and engineered door segments), creating a larger opportunity for world-class, home-grown brands like Greenlam. In this sectorial churn, local and regional companies could yield ground to large international brands like Greenlam.

Dividend

The Board of Directors in their meeting held on March 04, 2020 declared interim dividend for the financial year 2019-20 of ₹4.00 per equity share (previous year ₹3.00 per equity share) on the Company's 2,41,36,374 equity shares of ₹5.00 each. The interim dividend on the equity shares has entailed an outflow of ₹965.45 lakh towards dividend and ₹2.33 lakh towards dividend distribution tax, resulting in a total outflow of ₹967.78 lakh.

Further, the Company received dividend from its wholly owned subsidiary Greenlam Asia Pacific Pte. Ltd., Singapore and Greenlam America Inc., USA in June, 2019, for an amount of ₹380.82 lakh and ₹331.93 lakh respectively and in March, 2020 for an amount of ₹407.13 lakh and ₹707.01 lakh respectively.

The dividend pay-out was in accordance with the Dividend Distribution Policy of the Company adopted by the Board of Directors in their meeting held on October 26, 2018. The Dividend Distribution Policy of the Company is annexed herewith as "Annexure-I" to this Report.

Outlook and Expansion

Despite the uncertainties and immediate challenges being faced due to the spread of COVID-19 pandemic and the remedial lockdowns, the Company's outlook remains favourable owing to the fact that the Company has been strengthening its processes continuously, and is going to come out of the lockdown stronger. Furthermore, the Company's product integration capabilities, growing brand popularity and the continuous support from its employees, shareholders, creditors, consumers, distributors, dealers and lenders is expected to contribute towards the growth of the Company in the foreseeable future. The Company's vision is to be a one-stop solution for all decorative surface products (in its field of operation). The Company's pan-India distribution network ensures easy availability of products in almost every part of India. The Company has a presence in over 100 countries, either directly or through its overseas subsidiaries.

Increasing urbanisation, growing nuclearization, revival of real estate, increment in office spaces, urban development like Housing for All and Smart Cities Mission, tourism and hospitality are expected to catalyse the demand for laminates in the country in the foreseeable future.

The Company will leverage its position as one of the largest manufacturers of laminates in the country, to pave its own path towards success in the years to come.

During the financial year 2019-20, the expanded capacity for Laminates at the unit of the Company situated at Nalagarh, Himachal Pradesh to manufacture an additional 1.6 million laminate sheets per annum has become operational in September, 2019. With this addition, the total installed capacity for laminate has become 15.62 million laminate sheets per annum. The said expansion has the potential to generate revenue of ₹120.00 crore per annum on full capacity utilization.

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

Credit Rating

During the financial year 2019-20 CARE Ratings Ltd. has reaffirmed the credit rating "CARE A+; Stable" in respect of long term bank facilities of ₹259.10 crore and "CARE A1+" for short term bank facilities of ₹230.00 crore.

Subsidiaries and its Performance

As on March 31, 2020, the Company has seven overseas subsidiaries viz. Greenlam Asia Pacific Pte. Ltd., Singapore, Greenlam America, Inc., USA, Greenlam Europe (UK) Ltd., UK, Greenlam Asia Pacific (Thailand) Co., Ltd., Thailand, Greenlam Holding Co., Ltd., Thailand, PT. Greenlam Asia Pacific, Indonesia and Greenlam Decolan SA, Switzerland and one Indian subsidiary Greenlam South Limited.

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

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

During the financial year 2019-20, Greenlam Asia Pacific Pte. Ltd. acquired 100% shares of Decolan SA and consequently Decolan SA has become a wholly owned subsidiary of Greenlam Asia Pacific Pte. Ltd. and a wholly owned (step-down) subsidiary of Greenlam Industries Limited.

The name of **'Decolan SA'** post its acquisition by Greenlam Asia Pacific Pte. Ltd. has been changed to **'Greenlam Decolan SA'.**

During the financial year 2019-20, your Company has incorporated a wholly owned subsidiary (WOS), **Greenlam South Limited** in India to explore opportunities by way of greenfield project for manufacturing, sales and marketing of laminate and wood based products.

The said WOS has undertaken to set up a manufacturing facility for manufacturing 1.5 million laminate sheet/ boards per annum on the land allotted to it by Andhra Pradesh Industrial Infrastructure Corporation (APIIC) located in Naidupeta, Nellore in Andhra Pradesh. The investment required to set up the said manufacturing facility (including the cost of land) is ₹175 crore. The aforesaid manufacturing facility of Greenlam South Limited, initially scheduled for commissioning in Q4 FY22, is likely to be delayed due to COVID-19 pandemic.

Further, Greenlam Asia Pacific Pte. Ltd. has on May 05, 2020, incorporated a new subsidiary in Indonesia under the name and style of **"PT Greenlam Indo Pacific"** in Indonesia, to carry out, *inter alia,* the business of distributor and wholesaler of laminates and allied products. In the above-said Indonesian company, Greenlam Asia Pacific Pte. Ltd. holds 67% shares and balance share of 33% is held by a local shareholder as per regulations in Indonesia. Accordingly, the said "**PT Greenlam Indo Pacific**" has become a step-down subsidiary of Greenlam Industries Limited upon its incorporation.

Apart from **Greenlam Decolan SA** and **Greenlam South Limited,** no other company have become or ceased to be subsidiaries, joint ventures or associate of the Company during the year.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, statement containing salient features of standalone financial statements of subsidiaries in Form AOC-1 is attached as "Annexure-II".

As required under Rule 8(1) of the Companies (Accounts) Rules, 2014, the Board's Report has been prepared based on Standalone Financial Statements. During the financial year 2019-20, the net contribution of all the subsidiaries to the Company's consolidated total income, profits before tax (PBT) and profits after tax (PAT) is 5.67%, (5.51)% and (6.87)% respectively. The standalone turnover, PBT and PAT of each subsidiary are given in Form AOC-1.

In accordance with the fourth proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its Standalone and the Consolidated Financial Statements would be placed on the website of the Company at www.greenlamindustries.com. Further, as per provisions of the said Section, audited Annual Accounts of each of the subsidiary companies would also be placed on the website of the Company at www.greenlamindustries.

com. Shareholders interested in obtaining a soft copy of the Annual Accounts of the subsidiary companies may write to the Company Secretary at the Company's corporate office or may drop a mail at investor.relations@greenlam.com.

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

Consolidated Financial Statements

Pursuant to Section 129(3) of the Companies Act, 2013, the Consolidated Financial Statements of the Company prepared in accordance with the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Indian Accounting Standard 110 on Consolidated Financial Statements is provided in the Annual Report.

Transfer to General Reserve

The Directors in their meeting held on June 19, 2020 proposed to transfer ₹500.00 lakh to the General Reserve.

Directors

During the financial year 2019-20, Ms. Urvashi Saxena, (DIN: 02021303), Independent Director of the Company has resigned from the Board of the Company, on personal grounds, w.e.f. April 01, 2019 and confirmed that there were no other material reasons other than those stated in her resignation letter.

Further, the Board of Directors in their meeting held on June 13, 2019 has approved the following appointments/ re-appointments:

a) Appointment of Mr. Sandip Das, (DIN: 00116303) as an Independent Director of the Company for a term of 5 years with effect from June 13, 2019 up to June 12, 2024.

b) Re-appointment of Mr. Saurabh Mittal, (DIN: 00273917) as Managing Director & CEO of the Company for a term of 5 years with effect from November 11, 2019 till November 10, 2024.

c) Re-appointment of Ms. Parul Mittal, (DIN: 00348783) as Whole-time Director of the Company for a term of 5 years with effect from November 11, 2019 till November 10, 2024.

d) Re-appointment of Mr. Vijay Kumar Chopra, (DIN: 02103940) as an Independent Director for 3 years with effect from the conclusion of 6th Annual General Meeting (AGM) till the conclusion of 9th AGM to be held in calendar year 2022.

e) Re-appointment of Ms. Sonali Bhagwati Dalal, (DIN: 01105028) as Independent Director for one year with effect from the conclusion of 6th AGM till the conclusion of 7th AGM to be held in the calendar year 2020.

The aforesaid appointment/re-appointments were approved by the shareholders of the Company at the 6th AGM held on August 10, 2019.

For the financial year 2019-20, the Company has received declarations from all the Independent Directors viz. Mr. Vijay Kumar Chopra [DIN: 02103940], Mr. Sandip Das [DIN: 00116303] and Ms. Sonali Bhagwati Dalal [DIN: 01105028] confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Parul Mittal [DIN: 00348783], Whole-time Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

None of the Directors of your Company are disqualified under the provisions of Section 164(2)(a)&(b) of the Companies Act, 2013 and a certificate dated June 19, 2020 received from M/s. Chandrasekaran Associates, Company Secretaries, certifying that none of the Director on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

All the Independent Directors of the Company have complied with the requirement of inclusion of their names in the Data bank of Independent Directors maintained by Indian Institute of Corporate Affairs and Mr. Vijay Kumar Chopra, is not required to pass the online proficiency self-assessment test as per the first proviso of Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Further, in the opinion of Board of Directors, the Independent Directors of the Company appointed/ re-appointed during the financial year 2019-20 are persons of integrity and possess relevant expertise and experience.

Changes in Share Capital

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

Key Managerial Personnel

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

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

During the financial year 2019-20, there was no change in the Key Managerial Personnel of the Company.

Meetings of the Board

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

Further one resolution was passed by the Board of Directors through circulation on May 18, 2019 in compliance with the provisions of Section 175 of the Act, 2013.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(3)&(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors in their meeting held on March 04, 2020 have evaluated the performance of Non-Independent Directors, Chairperson of the Company after considering the views of the Executive and Non-Executive Directors, Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board. The Nomination and Remuneration Committee has also carried out evaluation of performance of every Director of the Company. On the basis of evaluation made by the Independent Directors and the Nomination and Remuneration Committee and by way of individual and collective feedback from the Non-Independent Directors, the Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board as a whole and Committees of the Board.

The criteria for evaluation are outlined below:

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

b. For Executive & Non-Executive Directors:
- Performance as Team Leader/Member
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Professional Conduct and Integrity
- Sharing of Information with the Board
- Attendance and active participation in the Board and Committee of the Board and Meetings of Members of the Company
- Whether difference of opinion was voiced in the meeting
- Whether Executive Directors were able to answer the queries raised by Independent Directors
- Compliance with Code of Business Ethics and Code of Conduct of the Company
- Assistance in implementing corporate governance practices
- Independent view on key appointments and strategy formulation
- Review of integrity of financial information and risk management
- Updation of skills and knowledge
- Information regarding external environment
- Raising of concerns, if any, to the Board
- Assistance in formulation of statutory and non-statutory policies for the Company

- Ensures implementation of decisions of the Board
- Ensures compliance with applicable legal and regulatory requirements
- Alignment of Company's resources and budgets to the implementation of the organization's strategic plan
- Creativity and innovations in creating new products
- Understanding of the business and products of the Company

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

d. For Board of Directors as a whole:
   - Setting of clear performance objectives and how well it has performed against them
   - Contribution to the testing and development and strategy
   - Contribution to ensuring robust and effective risk management
   - Composition of the board and its committees appropriate with the right mix of knowledge and skills sufficient to maximize performance in the light of future strategy
   - Effectiveness of inside and outside Board relationship
   - Responding to the problems or crises that have emerged
   - Relationship between Board and its Committees and between committees themselves
   - Communication with employees and others
   - Updation with latest developments in regulatory environments and the market in which the Company operates
   - Role and functioning of the Board on the matters pertaining to financial reporting and internal controls
   - Contribution of the Board for ensuring that the Company adheres to the statutory and regulatory compliances as applicable to the Company

The Directors expressed their satisfaction with the evaluation process.

Audit Committee

As on March 31, 2020, the Audit Committee of the Company comprises of three Independent Directors with Mr. Vijay Kumar Chopra as Chairman and Mr. Sandip Das and Ms. Sonali Bhagwati Dalal as members and one promoter Director Mr. Saurabh Mittal, Managing Director & CEO of the Company. The Committee, *inter alia*, reviews the Internal Control System and Reports of Internal Auditors and Compliance of various Regulations. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report. The Committee also reviews the Financial Statements before they are placed before the Board.

Nomination and Remuneration Committee

As on March 31, 2020, the Nomination and Remuneration Committee comprises of two Independent Directors with Mr. Sandip Das as Chairman and Mr. Vijay Kumar Chopra as member and also one Non-Executive Director Mr. Shiv Prakash Mittal as member. The Committee, *inter alia*, identifies persons who are qualified to become directors and who may be appointed in senior management. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

Stakeholders' Relationship Committee

As on March 31, 2020, the Stakeholders' Relationship Committee comprises of one Non-executive Director Mr. Shiv Prakash Mittal as Chairman, one Independent Director Ms. Sonali Bhagwati Dalal as member and one Executive Director Mr. Saurabh Mittal as member. The Committee, *inter alia,* reviews the grievance of the security holders of the Company and redressal thereof. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

Vigil Mechanism

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

Risk Management

The Company follows a practice of identification of various risks pertaining to different businesses and functions of the Company through Independent Agency from time to time.

Major risks elements associated with the businesses and functions of the Company have been identified and are being addressed systematically through mitigating actions on a continuing basis.

The Audit Committee periodically reviews and monitors the steps taken by the Company to mitigate the identified risks elements.

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

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

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

Corporate Social Responsibility

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

The composition of the CSR Committee is provided in the Annual Report on CSR activities. The Average Net Profits of the Company for the last three financial years is ₹83,76,04,411.33 and accordingly the prescribed CSR expenditure during the year under review shall not be less than ₹1,67,52,088.23 (i.e. 2% of the Average Net Profits of the Company for the last three financial years).

Further the total amount spent by the Company on CSR during the financial year is ₹1,64,55,939.00. Due to outbreak of COVID-19 pandemic and consequent nationwide lockdown, the Company was not able to spent the amount of ₹2,96,149.23 which was scheduled to be spent in March 2020. However, the Company on June 17, 2020 donated ₹3,00,000.00 towards PM CARES Fund.

The Annual Report on CSR activities is annexed as "Annexure-III" to this Report.

Policy on Nomination and Remuneration

The summary of Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Corporate Governance Report.

The Remuneration Policy is approved by the Board of Directors and is uploaded on the website of the Company. The web link to the Remuneration Policy is as under: https://www.greenlamindustries.com/pdf-file/Remuneration-Policy.pdf

Particulars of contracts or arrangements with related parties

Related party transactions that were entered into during the financial year 2019-20, were on arm's length basis and were in ordinary course of business. The particulars of material related party transactions which were entered into on arm's length basis are provided in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 which is annexed herewith as "Annexure-IV". There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. The Board has approved a Policy for material related party transactions which has been uploaded on the Company's website. The web-link to the Policy on Related Party Transactions as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under: https://www.greenlamindustries.com/pdf-file/related-party-transaction-policy.pdf

Directors' Responsibility Statement

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

a) In preparation of the annual accounts for the financial year ended March 31, 2020, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b) The Directors have selected such Accounting Policies as listed in the Financial Statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on March 31, 2020 and of the profits of the Company for that period;

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

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

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

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

Maintenance of Cost Records

Pursuant to sub-section (1) of Section 148 of the Companies Act, 2013, the maintenance of Cost Records as specified by the Central Government is not required by the Company and accordingly such accounts and records are not made and maintained by the Company.

Material Changes

The wholly owned subsidiary of the Company in Singapore, Greenlam Asia Pacific Pte. Ltd., has incorporated a subsidiary, PT Greenlam Indo Pacific, in Indonesia, with 67% shareholding, to carry out the business of distributor and wholesaler of laminates and allied products.

There have been no other material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since March 31, 2020 and to the date of this report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

Insurance

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

Public deposits

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

Listing of shares

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 538979 and on National Stock Exchange of India Limited (NSE) with scrip symbol GREENLAM. The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2020-21 have been duly paid.

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

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

Auditors and their Report

(a) Statutory Auditors:

The shareholders of the Company at the 6th Annual General Meeting (AGM) held on August 10, 2019, have approved the appointment of M/s. S. S. Kothari Mehta & Company, Chartered Accountants (ICAI Firm Registration No. 000756N), as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 for a term of 5 years from the conclusion of 6th AGM till the conclusion of 11th AGM to be held in financial year 2024-25.

The Statutory Auditors' Report on the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 forms part of this Annual report.

(b) Secretarial Auditors:

The Board of Directors of the Company at their meeting held on January 29, 2020 appointed M/s. Chandrasekaran Associates, Company Secretaries, (Firm Registration No. P1988DE002500), having office at 11-F, Pocket-IV, Mayur Vihar, Phase-I, Delhi-110091 as Secretarial Auditor of the Company for conducting the Secretarial Audit for the financial year 2019-20.

The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2020, is annexed herewith as "Annexure-V".

(c) Cost Auditors:

Your Company was not required to appoint Cost Auditor for the financial year ended March 31, 2020.

(d) Internal Auditor:

Mr. Rakesh Kumar Budhiraja, President-Internal Audit of the Company, the Internal Auditor of the Company vacated the office of Internal Auditor from close of working hours of March 31, 2020.

The Board of Directors has appointed Mr. Vijay Kumar Bishnoi as the Internal Auditor of the Company w.e.f. April 01, 2020 in place of Mr. Rakesh Kumar Budhiraja to carry out internal audit of Branches, offices and manufacturing Units of the Company.

The Audit Committee quarterly reviews the Internal Audit reports.

Response to Auditors' Remarks

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

Extract of Annual Return

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

Corporate Governance Report

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

Management Discussion and Analysis Report

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

Business Responsibility Report

As stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached 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. The Managing Director & CEO and the Chief Financial Officer of the Company also provide quarterly certification on Financial Results while placing the Financial Results before the Board in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of Conduct for Directors and Senior Management Personnel

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

Disclosure regarding compliance of applicable Secretarial Standards

The Company has complied with all the mandatorily 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 herewith as "Annexure-VII".

Particulars of employees

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

Fraud Reporting

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

Constitution of Internal Complaints Committee

Pursuant to the requirement under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, an Internal Complaints Committee has been duly constituted by the Company and the composition of the same is disclosed in the Anti-Sexual Harassment Policy which is posted on the website of the Company under the link https://www.greenlamindustries.com/pdf-file/Anti-Sexual-Harassment-Policy.pdf

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

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

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

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

Acknowledgement

Your Directors place on record their sincere thanks and appreciation for the continuing support of financial institutions, consortium of banks, vendors, clients, investors, Central Government, State Governments and other regulatory authorities. Directors also place on record their heartfelt appreciation for employees of the Company for their dedication and contribution.

For and on behalf of the Board of Directors

Saurabh Mittal
Managing Director & CEO
[DIN: 00273917]

Parul Mittal
Whole-time Director
[DIN: 00348783]

Place: New Delhi
Date: June 19, 2020

Annexure-I

DIVIDEND DISTRIBUTION POLICY OF GREENLAM INDUSTRIES LIMITED

The Board of Directors (the "Board") of Greenlam Industries Limited (the "Company") has adopted the Dividend Distribution Policy (the "Policy") of the Company as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") in its meeting held on October 26, 2018.

EFFECTIVE DATE

The Policy shall become effective from the date of its adoption by the Board i.e. October 26, 2018.

PURPOSE, OBJECTIVES AND SCOPE

The Securities and Exchange Board of India ("SEBI") vide its Notification dated July 08, 2016 has amended the Listing Regulations by inserting Regulation 43A in order to make it mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on their market capitalization calculated as on the 31st day of March of every year. The Company, being one of the top five hundred companies listed with National Stock Exchange of India Ltd. (NSE) on the basis of market capitalization of the Company as on March 31, 2018, therefore it requires to comply with the requirements of Regulation 43A of the Listing Regulations. Considering the provisions of the aforesaid Regulation 43A, the Board of Directors (the "Board") of the Company recognizes the need to lay down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to its shareholders and/or retaining or ploughing back of its profits. The Policy also sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or of retention of profits, in the interest of providing transparency to the shareholders.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

Declaration of dividend on the basis of parameters in addition to the parameters of this Policy or resulting in amendment of any parameters of the Policy will be regarded as deviation. Any such deviation on parameters of this Policy, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in the Annual Report by the Board of Directors.

The Policy reflects the intent of the Company to reward its equity shareholders by sharing a portion of its profits after adjusting for accumulated losses and unabsorbed depreciation, if any, and also retaining sufficient funds for growth of the Company pursuant to Section 123 of the Companies Act, 2013. The Company shall pursue this Policy, to pay, subject to the circumstances and factors enlisted hereon, progressive dividend, which shall be consistent with the performance of the Company over the years.

The Policy shall not apply to determination and declaring dividend on preference shares as the same will be as per the terms of issue approved by the shareholders.

A. GENERAL POLICY OF THE COMPANY AS REGARDS DIVIDEND

   The general considerations of the Company for taking decisions with regard to dividend payout or retention of profits shall be as following:

   Subject to the considerations as provided in the Policy, the Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management including the Chief Financial Officer (CFO), and other relevant factors.

B. CONSIDERATIONS RELEVANT FOR DECISION OF DIVIDEND PAY-OUT

   The Board shall consider the following, while taking decisions of a dividend payout during a particular year:

   Statutory requirements

   The Company shall observe the relevant statutory requirements including those with respect to payment of dividend distribution tax, transfer of a certain portion of profits to reserves, which may be applicable to the Company at the time of taking decision with regard to declaration of dividend or retention of profits.

Agreements with lending institutions/ Debenture Trustees

The decision of dividend pay-out shall also be affected by the restrictions and covenants contained in the agreements, if any, entered into with the lenders/Debenture Trustees/Bond holders of the Company from time to time.

Other Agreements

The decision of dividend pay-out shall also be affected by the restrictions and covenants contained in the agreements that the Company shall generally enter into during the course of business, if any.

This provision shall apply mutatis mutandis to agreements already executed before the commencement of the Dividend Policy of the Company.

Long term strategic objectives of the Company as regards financial leverage

The Board may exercise its discretion to change the percentage of dividend or to otherwise take decision of retention or distribution of profits where, the Company is planning to go for expansion, restructuring, reorganizing, diversification, investment, etc.

Prudential requirements

The Company shall analyse the prospective projects and strategic decisions in order to decide:

- to build a healthy reserve of retained earnings;
- to augment long term strength;
- to build a pool of internally generated funds to provide long-term resources as well as resource-raising potential for the Company; and
- the needs for capital conservation and appreciation.

Proposals for major capital expenditures etc.

In addition to plough back of earnings on account of depreciation, the Board may also take into consideration the need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals.

Extent of realized profits as a part of the IND AS profits of the Company

The extent of realized profits out of its profits calculated as per IND AS, affects the Board's decision of determination of dividend for a particular year. The Board is required to consider such factors before taking any dividend or retention decision.

Expectations of shareholders

The Board, while considering the decision of dividend pay-out or retention of a certain amount or entire profits of the Company, shall consider the expectations of the shareholders of the Company who generally expects for a regular dividend pay-out.

C. FINANCIAL PARAMETERS

In addition to the aforesaid parameters such as realized profits, proposed major capital expenditures, etc. the decision of dividend pay-out or retention of profits shall also be based on the following:

Operating cash flow of the Company

If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board will consider the same before its decision whether to declare dividend or retain its profits.

Net sales of the Company

To increase its sales in the long run, the Company will need to expand its manufacturing capacity as well as increase its sales, marketing, advertising expenses, etc. The amount outlay in such activities will influence the decision of declaration of dividend.

Return on invested capital

The efficiency with which the Company uses its capital will impact the decision of dividend declaration.

Magnitude of earnings of the Company

Since dividend is directly linked with the availability of earning over the long haul, the magnitude of earnings will significantly impact the dividend declaration decisions of the Company.

Cost of borrowings

The Board will analyze the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from outsiders such as bankers, lending institutions or by issuance of debt securities or plough back its own funds.

Obligations to creditors

The Company should be able to repay its debt obligations without much difficulty over a reasonable period of time. Considering the volume of such obligations and time period of repayment, the decision of dividend declaration shall be taken.

Inadequacy of profits

If during any financial year, the Board determines that the profits of the Company are inadequate, the Board may decide not to declare dividends for that financial year.

Post dividend EPS

The post dividend EPS can have strong impact on the funds of the Company, thus, impacting the overall operations on day-to-day basis and therefore, affects the profits and can impact the decision for dividend declaration.

D. FACTORS THAT MAY AFFECT DIVIDEND PAYOUT

External Factors

Taxation and other regulatory concern

- Dividend distribution tax or any tax deduction at source as required by applicable tax regulations in India, as may be applicable at the time of declaration of dividend.
- Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

Macroeconomic conditions

Considering the state of economy in the Country, policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, during uncertain or recessionary economic and business conditions, the Board may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.

Capital Market

When the markets are favourable, dividend pay-out can be liberal. However, in case of unfavourable capital market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

Statutory Restrictions

The Board will keep in mind any restrictions on payment of dividends by virtue of any regulation or loan covenant, as may be applicable to the Company at the time of declaration of dividend.

Internal Factors

Product/ market expansion plan

The Company's growth oriented decision to conserve cash in the Company for future expansion plan impacts shareholders' expectation for the long run which shall have to be considered by the Board before taking dividend decision.

Past performance/ reputation of the Company

The trend of the performance/ reputation of the Company that has been during the past years determine the expectation of the shareholders.

Working capital management in the Company

The current practice for the management of working capital within the Company also impacts the decision of dividend declaration.

Age of the Company and its product/market

The age of the Company and its product or the market in which the Company operates will be one of the most significant determining factors to the profitability of the Company and dividend declaration or retention.

Amount of cash holdings in the Company

In the investor's point of view, in the absence of any major expansion plan or capital investments or other strategic investment plans in the hands of the Company, the investors may not appreciate excessive cash holdings in the Company. The Board shall have to consider the same before taking decision of dividend declaration.

E. CIRCUMSTANCES UNDER WHICH DIVIDEND PAYOUT MAY OR MAY NOT BE EXPECTED

The Board shall consider the factors provided in this Policy, before determination of any dividend pay-out after analyzing the prospective opportunities and threats, viability of the options of dividend pay-out or retention etc. The decision of dividend pay-out shall, majorly be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

F. MANNER OF DIVIDEND PAYOUT

The discussion below is a summary of the process of declaration and payment of dividends, and is subject to applicable regulations:

In case of final dividends

1. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
2. The dividend as recommended by the Board shall be approved/declared at the annual general meeting of the Company.
3. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date/book closure period as per the applicable law.

In case of interim dividend

1. Interim dividend, if any, shall be declared by the Board.
2. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
3. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date as per the applicable laws.
4. An interim dividend declared by directors shall be confirmed in the ensuing annual general meeting of the Company.
5. In case no final dividend is declared, interim dividend paid during the year, if any, will be finally regarded as the dividend paid during the year.

G. MANNER OF UTILISATION OF RETAINED EARNINGS

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan;
- New acquisitions & investments;
- Product expansion plan;
- Increase in production capacity;
- Modernization plan;
- Diversification of business;
- Long term strategic plans;
- Replacement/up-gradation/modernization of capital assets;
- Investment plans in long term/short term strategic joint ventures and/or partnerships and/or subsidiary companies;
- To retire expensive debt, if any;
- Such other criteria as the Board may deem fit from time to time.

H. PARAMETERS FOR VARIOUS CLASSES OF SHARES

1. The factors and parameters for declaration of dividend to different class of shares of the Company shall be same as covered above.
2. The payment of dividend shall be based on the respective rights attached to each class of shares as per their terms of issue.
3. The dividends shall be paid out of the Company's distributable profits and/or general reserves, and shall be allocated among shareholders on a pro-rata basis according to the number of each type and class of shares held.
4. Dividend when declared shall be first paid to the preference shareholders, if any, of the Company as per the terms and conditions of their issue.

AMENDMENT

The Managing Director & CEO and the Chief Financial Officer of the Company shall be jointly/severally authorized to review and amend the Policy to the extent of any change/amendment required in terms of any applicable law. Such amended Policy shall be placed before the subsequent Board Meeting for noting and necessary ratification immediately after such changes. Any other changes apart from those required in terms of the statute, shall be made in consideration and approval of the Board.

For and on behalf of the Board of Directors

Saurabh Mittal	Parul Mittal
Managing Director & CEO	*Whole-time Director*
[DIN: 00273917]	[DIN: 00348783]

Place: New Delhi
Date: June 19, 2020

Annexure-II

Form AOC-I

Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/Joint Ventures

[Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Sr. No.	Part "A": Subsidiaries	₹	
1.	Name of the subsidiary	Greenlam Asia Pacific Pte. Limited.	Greenlam America, Inc.
2.	Date of Acquisition*	February 27, 2015	March 16, 2015
3.	Reporting period for the subsidiary	March 31, 2020	March 31, 2020
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year	US$ (₹75.59000)	US$ (₹75.59000)
5.	Share Capital	21,00,54,405.35	12,09,44,000.00
6.	Reserves & Surplus	45,80,980.77	6,77,73,918.41
7.	Total Assets	52,13,33,042.68	27,06,89,377.39
8.	Total Liabilities	30,66,97,656.56	8,19,71,458.98
9.	Investments	1,74,83,513.46	Nil
10.	Turnover	1,80,26,95,567.06	1,00,44,85,122.82
11.	Profit before taxation	4,16,19,476.05	5,31,08,022.20
12.	Provision for taxation	(83,39,769.11)	(9,57,876.48)
13.	Profit after taxation	3,32,79,706.94	5,21,50,145.72
14.	Proposed Dividend	Nil	Nil
15.	% of shareholding/controlling interest	100%	100%

Sr. No.	Part "A": Subsidiaries	₹	
1.	Name of the subsidiary	Greenlam Europe (UK) Limited	Greenlam Asia Pacific (Thailand) Co., Limited
2.	Date of Acquisition*	February 27, 2015	February 27, 2015
3.	Reporting period for the subsidiary	March 31, 2020	March 31, 2020
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year	GBP (₹93.65600)	THB (₹2.31160)
5.	Share Capital	1,76,33,551.68	92,46,400.00
6.	Reserves & Surplus	(10,60,77,314.31)	2,90,65,235.77
7.	Total Assets	15,46,91,521.54	12,32,15,528.76
8.	Total Liabilities	24,31,35,284.18	8,49,03,892.99
9.	Investments	Nil	11,55,800.00
10.	Turnover	60,06,73,994.72	73,16,50,709.84
11.	Profit before taxation	3,95,37,067.71	19,70,375.27
12.	Provision for taxation	2,45,05,373.37	(3,94,846.15)
13.	Profit after taxation	6,40,42,441.08	15,75,529.12
14.	Proposed Dividend	Nil	Nil
15.	% of shareholding/controlling interest	100%	97.50%

Sr. No.	Part "A": Subsidiaries	C	
1.	Name of the subsidiary	Greenlam Holding Co., Ltd.	PT. Greenlam Asia Pacific
2.	Date of Acquisition*	February 27, 2015	February 27, 2015
3.	Reporting period for the subsidiary	March 31, 2020	March 31, 2020
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year	THB (C2.31160)	IDR (C0.00464)
5.	Share Capital	23,11,600.00	1,11,89,174.40
6.	Reserves & Surplus	(13,99,754.96)	11,24,521.57
7.	Total Assets	46,34,027.60	1,54,08,558.00
8.	Total Liabilities	37,22,182.56	30,94,862.03
9.	Investments	46,23,200.00	Nil
10.	Turnover	Nil	1,26,56,336.19
11.	Profit before taxation	(47,824.74)	19,61,790.22
12.	Provision for taxation	Nil	(63,971.89)
13.	Profit after taxation	(47,824.74)	18,97,818.33
14.	Proposed Dividend	Nil	Nil
15.	% of shareholding/controlling interest	99%	99%

Sr. No.	Part "A": Subsidiaries	C	
1.	Name of the subsidiary	Greenlam Decolan SA	Greenlam South Limited
2.	Date of Acquisition	May 14, 2019	October 14, 2019#
3.	Reporting period for the subsidiary	March 31, 2020	March 31, 2020
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year	CHF (C78.66580)	C
5.	Share Capital	2,35,99,740.00	25,39,26,787.00@
6.	Reserves & Surplus	(3,30,77,395.58)	(94,54,490.00)
7.	Total Assets	37,97,06,207.42	46,11,06,546.00
8.	Total Liabilities	38,91,83,863.00	21,66,34,250.00
9.	Investments	Nil	Nil
10.	Turnover	46,10,04,007.75	Nil
11.	Profit before taxation	8,60,053.19	(94,54,490.00)
12.	Provision for taxation	(23,599.74)	Nil
13.	Profit after taxation	8,36,453.45	(94,54,490.00)
14.	Proposed Dividend	Nil	Nil
15.	% of shareholding/controlling interest	100%	100%

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

@Including Compound Financial Instruments Equity Portion

Notes:

1. Name of the Subsidiaries which are yet to commence operations:- Greenlam South Limited. However, it is taking necessary steps to set up a manufacturing plant.
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

Saurabh Mittal	Parul Mittal	Ashok Kumar Sharma	Prakash Kumar Biswal
Managing Director & CEO	*Whole-time Director*	*Chief Financial Officer*	*Company Secretary &*
[DIN: 00273917]	[DIN: 00348783]		*Vice President - Legal*

Annexure-III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

Brief outline of the CSR Policy

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

Priority Projects

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

1. Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently-abled and livelihood enhancement projects;
2. Promoting health care including preventive health care and sanitation and making available safe drinking water;
3. Promoting gender equality, empowering women, setting-up homes and hostels for women and orphans.

CSR Policy of the Company can be viewed at the link given herein below:

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

2. The Composition of the CSR Committee:

Mr. Saurabh Mittal - Chairman (Executive Director)

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

Ms. Sonali Bhagwati Dalal - Member (Independent Director)

Ms. Parul Mittal - Member (Executive Director)

3. Average net profits of the Company for last three financial years: ₹83,76,04,411.33

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

The Company was required to spend ₹1,67,52,088.23 towards CSR during the financial year under review.

5. Details of CSR spent during the financial year:

a. Total amount spent during the financial year under review: ₹1,64,55,939.00

b. Amount unspent, if any: ₹2,96,149.23 which remain unspent till March 31, 2020 was transferred to PM CARES Fund on June 17, 2020.

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

Sl. No.	CSR Project or activity Identified	Sector in which the Project is Covered	Projects or Programs (1) Local area or other (2) Specify the State and District where projects or Programs was undertaken	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the projects or Programs Sub-heads: (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative Expenditure up to the Reporting Period	Amount Spent Direct or through implementing Agency*
1.	Support for education and overall development of young, orphan and neglected girls, in the age group of 07-15 years at Greenlam Udayan Ghar in Ghaziabad.	Promoting education including special education and employment enhancing vocation skills especially among children (mainly girl child) and livelihood enhancement projects.	Ghaziabad, Uttar Pradesh	₹28,50,000.00	₹28,50,000.00	₹1,29,09,124.00	Through Udayan Care, A Charitable Trust
2.	Support for strengthening and empowering communities, mainly focusing on improving health and nutrition of mother, new born child and adolescents and promoting entrepreneur development program among identified young people.	Promoting health care including preventive health care and sanitation.	Behror, Rajasthan	₹38,00,000.00	₹37,99,904.00	₹1,20,99,644.00	Through Mamta-Health Institute for Mother & Child
3.	Support for promotion of education, health and livelihood.	Promoting education and health care including preventive health care and sanitation.	Nalagarh, Himachal Pradesh	₹5,91,255.00	₹5,12,505.00	₹84,79,865.00	Through SARD-Society for All Round Development@
4.	To work for improving the elementary education in villages located near the area of Behror Plant for students of Standard 1-8 under the age group of 6-14 years and also work for preparing mothers with children who are about to start school in the next two years and raise awareness on good practices to improve the child's development capabilities.	Promoting education	Behror, Rajasthan& Nalagarh, Himachal Pradesh	₹59,39,300.00	₹59,39,136.00	₹80,99,118.00	Through PRATHAM Education Foundation
5	Support for strengthening and empowering communities, mainly focusing on improving health and nutrition of mothers, new born child and adolescents and promoting entrepreneur development program among identified young people.	Promoting health care including preventive health care and sanitation.	Nalagarh, Himachal Pradesh	₹20,75,000.00	₹19,99,994.00	₹26,74,994.00	Through Mamta - Health Institute for Mother & Child
6	To create sustainable 'Playscapes' in 11 schools where Greenlam Industries Limited has its intervention near Behror and Nalagarh plant of the Company with a motive of enhancing the enrolment, attendance rates and retention of students in the selected schools.	Promoting education	Behror, Rajasthan & Nalagarh, Himachal Pradesh	₹7,03,400.00	₹7,03,400.00	₹17,58,500.00	Through End Poverty
7	Support availability of medical equipment in government hospitals	Promoting health care including preventive health care and sanitation.	Marathwada Region, Mumbai, Maharashtra	₹7,00,000.00	₹6,51,000.00	₹6,51,000.00	Through Smt. Hemkuvarben Hansraj Mehta Charitable Trust
8	Contribution to PM CARES fund for COVID-19 relief#	Contribution to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	Not Applicable	₹3,00,000.00	₹3,00,000.00	₹3,00,000.00	Direct
	Total			₹1,69,58,955.00	₹1,67,55,939.00	₹4,69,72,245.00	

@The CSR Project undertaken with SARD Society for All Round Development in Nalagarh for promoting education has been handed over to PRATHAM Education Foundation and for promoting healthcare including preventive healthcare and sanitation has been handed over to Mamta - Health Institute for Mother & Child.
#The said donation in PM CARES Fund was made on June 17, 2020.

*Details of Implementing Agency:

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

Udayan Care is a Public Charitable Trust registered since 1994. Udayan Care's initiatives are focused towards regenerating the rhythm of life of the disadvantaged. Through the power of mentorship, it nurtures children who are orphaned and abandoned in the warmth of a family at Udayan Ghars, its long-term foster homes; ensures young girls higher education through our education fellowships; enables underserved youth and adults to improve their employability skills in its IT & vocational training centres; and creates long term buddies through Big Friend Little Friend Programme for these children.

b) **MAMTA-Health Institute for Mother & Child**

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

c) **SARD-Society for All Round Development**

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

d) **PRATHAM Education Foundation**

PRATHAM was established in 1995 by UNICEF, the Municipal Corporation of Greater Mumbai and several prominent citizens to provide preschool education to children in the slums of Mumbai. Over the years, it has developed an in-house pedagogical approach called CAMaL (Combined Activities for Maximised Learning) that amalgamates doing, speaking, reading and writing around each learning activity so that 'learning to read' and 'reading to learn' stimulates better learning, comprehension and retention. This approach is a departure from the textbook-limited route learning method prevalent in India. CAMaL splits the school curriculum into activities that can be adopted rather quickly to achieve a visible impact in writing, reading and comprehension and above all, on the confidence of the child.

e) **End Poverty**

End Poverty is a civil society organization registered in 2009 with a purpose to contribute towards poverty reduction in India. With a mandate to work across the country, so far End Poverty has been working in the state of Rajasthan, Haryana, Karnataka and Delhi with a focus on creating sustainable livelihood. End Poverty is engaged in sustainable poverty alleviation by creating and supporting the poor for laying a strong life, learning and economic foundation with the objective of eradicating the cycle of poverty. It also aims at socio-economic empowerment of the most disadvantaged groups in its area of operation and contributes to their active inclusion in all aspects of their life so that they may be enabled to strengthen their community development role and contribute to the elimination of poverty within their communities.

f) **Smt. Hemkuvarben Hansraj Mehta Charitable Trust**

HH Mehta Charitable Trust was established in 1989 and is engaged in various charitable activities and is associated with BMC run hospitals such as K.E.M Hospital, Tata Memorial Hospital, Sion Hospital and Wadia Hospital in Mumbai. Other activities include helping children in tribal schools/orphanages by providing basic needs such as stationery, school uniforms and other educational material to help and motivate them to pursue further education

6. **In case the Company has failed to spend the two per cent of the average net profits of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's report:** Due to outbreak of COVID-19 pandemic and consequent nationwide lockdown, the Company was not able to spent the amount of ₹2,96,149.23 which was scheduled to be spent in March 2020. However, the Company on June 17, 2020 donated ₹3,00,000.00 towards PM CARES Fund.

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

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

Annexure-IV

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/ transaction	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	Greenlam Asia Pacific Pte. Ltd. (Wholly-owned subsidiary)	Arrangement for sale of products	For the financial year 2014-15 and subsequent years	On mutually agreed terms up to sale value of ₹1,31,65,83,791.00 during financial year 2019-20.	February 02, 2015	Nil

For and on behalf of the Board of Directors

Place: New Delhi
Date: June 19, 2020

Saurabh Mittal
Managing Director & CEO
[DIN: 00273917]

Parul Mittal
Whole-time Director
[DIN: 00348783]

Annexure-V

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2020 according to the provisions of:

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

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(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, to the extent applicable;

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

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

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

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable during the period under review

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable during the period under review

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable during the period under review

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable during the period under review

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable during the period under review

(vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:

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

We have also examined compliance with the applicable clauses/ Regulations of the following:

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

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

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

Adequate notice is given to all directors to schedule the Board/ Committee Meetings. Agenda and detailed notes on agenda were sent in advance (and at a shorter notice for which necessary approvals were obtained, if any) 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 following specific events/actions took place having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

(i) The Company has incorporated Greenlam South Limited, a wholly owned subsidiary in India as approved in its Board Meeting held on September 30, 2019.

For Chandrasekaran Associates
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644B000355063
Date: 19.06.2020
Place: Delhi

Note:

(i) 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.

(ii) Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct.

(iii) This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to Financial Year 2019-20. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time due to COVID-19 or still there is time line to comply with such compliances.

Annexure -A to Secretarial Audit report

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

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

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

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

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

5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on random test basis.

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

For Chandrasekaran Associates
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644B000355063
Date: 19.06.2020
Place: Delhi

Annexure-VI

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L21016AS2013PLC011624
2.	Registration Date	August 12, 2013
3.	Name of the Company	GREENLAM INDUSTRIES LIMITED
4.	Category/Sub-category of the Company	Public Company limited by shares
5.	Address of the Registered office & contact details	Makum Road, Tinsukia, Assam-786125 Phone No.: +91-11-42791399 Fax No.: +91-11-42791330 Email: investor.relations@greenlam.com Website: www.greenlamindustries.com
6.	Whether listed Company	Yes, listed on BSE Limited and National Stock Exchange of India Ltd.
7.	Name, Address & contact details of the Registrar & Share Transfer Agent	Link Intime India Private Limited Noble Heights, 1st Floor, Plot NH 2 C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058 Phone No.: +91-11-41410592 Fax No.: +91-11-41410591 Email: delhi@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sl. No.	Name and Description of main products/services	NIC Code (2008) of the Product/service	% to total turnover of the Company
1.	Laminates & Allied Products	16219	84.1%
2.	Decorative Veneer & Allied Products	16211	15.9%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
1.	Greenlam Asia Pacific Pte. Limited	Not Applicable	Subsidiary	100%	2(87)(ii)
2.	Greenlam America, Inc.	Not Applicable	Subsidiary	100%	2(87)(ii)
3.	Greenlam Europe (UK) Limited	Not Applicable	Subsidiary	100%	2(87)(ii)
4.	Greenlam Asia Pacific (Thailand) Co., Ltd.	Not Applicable	Subsidiary	97.5%	2(87)(ii)
5.	Greenlam Holding Co., Limited	Not Applicable	Subsidiary	99%	2(87)(ii)
6.	PT. Greenlam Asia Pacific	Not Applicable	Subsidiary	99%	2(87)(ii)
7.	Greenlam Decolan SA	Not Applicable	Subsidiary	100%	2(87)(ii)
8.	Greenlam South Limited	U21096AS2019PLC019584	Subsidiary	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN:

[Equity Share Capital Breakup as percentage of Total Equity]

A. Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters & Promoter Group									
(1) Indian									
a) Individual/HUF	4246514	-	4246514	17.59	4246514	-	4246514	17.59	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	8966114	-	8966114	37.15	9003511	-	9003511	37.30	0.15
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	13212628	-	13212628	54.75	13250025	-	13250025	54.90	0.15
(2) Foreign									-
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	13212628	-	13212628	54.75	13250025	-	13250025	54.90	0.15
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	3142328	-	3142328	13.02	3230767	-	3230767	13.39	0.37
b) Banks/FI	95	-	95	-	2059	-	2059	0.01	0.01
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Alternate Investment Fund	490021	-	490021	2.03	528110	-	528110	2.19	0.16
Sub-total (B)(1):	3632444	-	3632444	15.05	3760936	-	3760936	15.59	0.54
(2) Non-Institutions									
a) Bodies Corporate	291625	-	291625	1.21	203806	-	203806	0.84	(0.37)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹1 lakh	929472	15090	944562	3.91	864315	15090	879405	3.63	(0.28)
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	2874411	-	2874411	11.91	2867362	-	2867362	11.88	(0.03)
c) Others									
i. Non Resident Indians	96262	-	96262	0.40	92219	-	92219	0.38	(0.02)
ii. Foreign Nationals	67	-	67	-	-	-	-	-	-
iii. Clearing Members	4317	-	4317	0.02	5175	-	5175	0.02	-
iv. Foreign Company	1901342	-	1901342	7.88	1901342	-	1901342	7.88	-
v. Foreign Portfolio Investors	634487	-	634487	2.63	618687	-	618687	2.56	(0.07)
vi. Trusts	1023	-	1023	-	3301	-	3301	0.01	0.01
vii. HUFs	519985	-	519985	2.15	519379	-	519379	2.15	-
viii. Unclaimed Suspense Account	9071	-	9071	0.04	9071	-	9071	0.04	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ix. NBFCs registered with RBI	109	-	109	-	109	-	109	-	-
x. Employees Trust	14041	-	14041	0.06	25557	-	25557	0.11	0.05
Sub-total (B)(2):	7276212	15090	7291302	30.21	7110323	15090	7125413	29.52	(0.69)
Total Public Shareholding (B) = (B) (1)+(B) (2)	10908656	15090	10923746	45.26	10871259	15090	10886349	45.10	(0.16)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	24121284	15090	24136374	100.00	24121284	15090	24136374	100.00	-

B. Shareholding of Promoters & Promoter Group

Sl. No.	Shareholders' Name	Category	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
			No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged/ encumbered to total shares	
1.	Mr. Saurabh Mittal	Promoter	3206534	13.29	-	3206534	13.29	-	-
2.	Mr. Shiv Prakash Mittal	Promoter Group	506000	2.10	-	506000	2.10	-	-
3.	Ms. Parul Mittal	Promoter Group	478800	1.98	-	478800	1.98	-	-
4.	Ms. Santosh Mittal	Promoter Group	55180	0.23	-	55180	0.23	-	-
5.	Greenply Leasing & Finance Private Limited	Promoter Group	8966114	37.15	-	9003511	37.30	-	0.15

C) Change in Promoters & Promoter Group Shareholding

Sl. No.	Particulars	Category	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Saurabh Mittal	Promoter				
	At the beginning of the year		3206534	13.29	3206534	13.29
	Changes during the year		-	-	-	-
	At the end of the year				3206534	13.29
2.	Mr. Shiv Prakash Mittal	Promoter Group				
	At the beginning of the year		506000	2.10	506000	2.10
	Changes during the year		-	-	-	-
	At the end of the year				506000	2.10
3.	Ms. Parul Mittal	Promoter Group				
	At the beginning of the year		478800	1.98	478800	1.98
	Changes during the year		-	-	-	-
	At the end of the year				478800	1.98
4.	Ms. Santosh Mittal	Promoter Group				
	At the beginning of the year		55180	0.23	55180	0.23
	Changes during the year		-	-	-	-
	At the end of the year				55180	0.23
5.	Greenply Leasing & Finance Private Limited	Promoter Group				
	At the beginning of the year		8966114	37.15	8966114	37.15
	Changes during the year:					
	0n 02.08.2019 acquired 33911 shares.		-	-	9000025	37.29
	On 11.09.2019 acquired 3486 shares.		-	-	9003511	37.30
	At the end of the year				9003511	37.30

D) Shareholding Pattern of top ten Shareholders:

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

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	HDFC Trustee Company Ltd.				
	At the beginning of the year	2174376	9.01	2174376	9.01
	Changes during the year	-	-	-	-
	At the end of the year			2174376	9.01
2.	Westbridge Crossover Fund, LLC				
	At the beginning of the year	1901342	7.88	1901342	7.88
	Changes during the year	-	-	-	-
	At the end of the year			1901342	7.88
3.	Mr. Ashish Dhawan				
	At the beginning of the year	1362842	5.65	1362842	5.65
	Changes during the year	-	-	-	-
	At the end of the year			1362842	5.65
4.	IDFC Multi Cap Fund				
	At the beginning of the year	568521	2.36	568521	2.36
	Changes during the year:				
	On 05.04.2019 acquired 5000 shares.	-	-	573521	2.37
	On 12.04.2019 acquired 2000 shares.	-	-	575521	2.38
	On 19.04.2019 transferred 2354 shares.	-	-	573167	2.37
	On 03.05.2019 acquired 1324 shares.	-	-	574491	2.38
	On 24.05.2019 acquired 1293 shares.	-	-	575784	2.39
	On 07.06.2019 acquired 1000 shares.	-	-	576784	2.39
	On 14.06.2019 acquired 3000 shares.	-	-	579784	2.40
	On 21.06.2019 acquired 1000 shares.	-	-	580784	2.41
	On 29.06.2019 acquired 2998 shares.	-	-	583782	2.42
	On 13.09.2019 acquired 483 shares.	-	-	584265	2.42
	On 18.10.2019 transferred 714 shares.	-	-	583551	2.42
	On 25.10.2019 transferred 585 shares.	-	-	582966	2.41
	On 01.11.2019 transferred 2915 shares.	-	-	580051	2.40
	On 22.11.2019 acquired 1000 shares.	-	-	581051	2.41
	On 24.01.2020 acquired 1000 shares.	-	-	582051	2.41
	On 06.03.2020 acquired 1316 shares.	-	-	583367	2.42
	On 13.03.2020 acquired 1105 shares.	-	-	584472	2.42
	On 20.03.2020 acquired 949 shares.	-	-	585421	2.43

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the end of the year			585421	2.43
5.	DSP Core Fund				
	At the beginning of the year	490021	2.03	490021	2.03
	Changes during the year	-	-	-	-
	At the end of the year			490021	2.03
6.	Akash Bhanshali				
	At the beginning of the year	396771	1.64	396771	1.64
	Changes during the year:				
	0n 31.03.2020 acquired 12218 shares.	-	-	408989	1.69
	At the end of the year			408989	1.69
7.	Sundaram Mutual Fund				
	At the beginning of the year	395956	1.64	395956	1.64
	Changes during the year:				
	On 05.04.2019 acquired 10064 shares.	-	-	406020	1.68
	On 12.04.2019 acquired 5210 shares.	-	-	411230	1.70
	On 19.04.2019 acquired 3800 shares.	-	-	415030	1.72
	On 26.04.2019 acquired 3756 shares.	-	-	418786	1.73
	On 25.10.2019 transferred 4065 shares.	-	-	414721	1.72
	On 01.11.2019 transferred 710 shares.	-	-	414011	1.71
	On 08.11.2019 transferred 117 shares.	-	-	413894	1.71
	On 13.12.2019 transferred 2402 shares.	-	-	411492	1.70
	On 20.12.2019 transferred 1019 shares.	-	-	410473	1.70
	On 27.12.2019 transferred 920 shares.	-	-	409553	1.69
	On 10.01.2020 transferred 6567 shares.	-	-	402986	1.67
	On 31.01.2020 transferred 20000 shares.	-	-	382986	1.59
	On 14.02.2020 transferred 48 shares.	-	-	382938	1.59
	On 21.02.2020 transferred 1815 shares.	-	-	381123	1.58
	On 28.02.2020 transferred 1514 shares.	-	-	379609	1.57
	At the end of the year			379609	1.57
8.	Akhil Dhawan				
	At the beginning of the year	363926	1.51	363926	1.51
	Changes during the year	-	-	-	-
	At the end of the year			363926	1.51
9.	Jwalamukhi Investment Holdings				
	At the beginning of the year	357396	1.48	357396	1.48
	Changes during the year:				
	On 13.03.2020 transferred 11552 shares.	-	-	345844	1.43
	At the end of the year			345844	1.43
10.	Vallabh Roopchand Bhanshali				
	At the beginning of the year	319100	1.32	319100	1.32
	Changes during the year	-	-	-	-
	At the end of the year			319100	1.32

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

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Shiv Prakash Mittal, Non-Executive Chairman				
	At the beginning of the year	506000	2.10	506000	2.10
	Changes during the year	-	-	-	-
	At the end of the year	-	-	506000	2.10
2.	Mr. Saurabh Mittal, Managing Director & CEO				
	At the beginning of the year	3206534	13.29	3206534	13.29
	Changes during the year	-	-	-	-
	At the end of the year	-	-	3206534	13.29
3.	Ms. Parul Mittal, Whole-time Director				
	At the beginning of the year	478800	1.98	478800	1.98
	Changes during the year	-	-	-	-
	At the end of the year	-	-	478800	1.98
4.	Mr. Vijay Kumar Chopra, Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	-	-	-	-
	At the end of the year	-	-	Nil	Nil
5.	Mr. Sandip Das, Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	-	-	-	-
	At the end of the year	-	-	Nil	Nil
6.	Ms. Sonali Bhagwati Dalal, Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	-	-	-	-
	At the end of the year	-	-	Nil	Nil
7.	Mr. Ashok Kumar Sharma, Chief Financial Officer				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	-	-	-	-
	At the end of the year	-	-	Nil	Nil
8.	Mr. Prakash Kumar Biswal, Company Secretary & Vice President - Legal				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year				
	On 01.08.2019 acquired 5 shares	-	-	5	5
	At the end of the year	-	-	5	5

V. INDEBTEDNESS:

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

(₹ in lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20,120.39	3,000.00	Nil	23,120.39
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	2.11	Nil	Nil	2.11
Total (i+ii+iii)	**20,122.50**	**3,000.00**	**Nil**	**23,122.50**
Change in Indebtedness during the financial year				
Addition	5,000.00	1,500.00	Nil	6,500.00
Reduction	4,238.22	3,000.00	Nil	7,238.22
Net Change	**761.78**	**(1,500.00)**	**Nil**	**(738.22)**
Indebtedness at the end of the financial year				
i) Principal Amount	20,882.17	1,500.00	Nil	22,382.17
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	1.56	Nil	Nil	1.56
Total (i+ii+iii)	**20,883.73**	**1,500.00**	**Nil**	**22,383.73**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Amount (in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Saurabh Mittal, Managing Director & CEO	Ms. Parul Mittal, Whole-time Director	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	2,40,00,000.00	1,20,00,000.00	3,60,00,000.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) of the Income- tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil
	- as % of profit	2,55,00,000.00*	1,41,50,000.00*	3,96,50,000.00*
	- others	Nil	Nil	Nil
5.	Others (Contribution to Provident Fund)	24,48,000.00	14,40,000.00	38,88,000.00
	Total (A)	**5,19,48,000.00**	**2,75,90,000.00**	**7,95,38,000.00**
	Ceiling as per the Act	5,87,69,150.00^	5,87,69,150.00^	11,75,38,300.00

^being 5% of net profits of the Company calculated as per Section 198 of the Companies Act, 2013.

*not yet paid

Note: Mr. Saurabh Mittal, Managing Director & CEO and Ms. Parul Mittal, Whole-time Director of the Company have volunteered to reduce their annual commission for the financial year 2019-20 to 2.25% and 1.25% respectively.

B. Remuneration to other Directors

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Shiv Prakash Mittal, Non-Executive Chairman	Mr. Vijay Kumar Chopra, Independent Director	Mr. Sandip Das, Independent Director	Ms. Sonali Bhagwati Dalal, Independent Director	
1.	Independent Directors					
	Fee for attending Board and committee meetings	N.A.	6,90,000.00	6,30,000.00	8,30,000.00	21,50,000.00
	Commission	N.A.	18,00,000.00*	14,40,984.00*	18,00,000.00*	50,40,984.00
	Others	N.A.	Nil	Nil	Nil	Nil
	Total (1)	N.A.	24,90,000.00	20,70,984.00	26,30,000.00	71,90,984.00
2.	Other Non-Executive Directors					
	Fee for attending Board committee meetings	Nil	N.A.	N.A.	N.A.	Nil
	Commission	18,00,000.00*	N.A.	N.A.	N.A.	18,00,000.00
	Others	Nil	N.A.	N.A.	N.A.	Nil
	Total (2)	18,00,000.00	N.A.	N.A.	N.A.	18,00,000.00
	Total (B)=(1+2)	18,00,000.00	24,90,000.00	20,70,984.00	26,30,000.00	89,90,984.00
	Total Managerial Remuneration					8,85,28,984.00#
	Overall Ceiling as per the Act					12,92,92,130.00@

Total remuneration to the Managing Director & CEO, Whole-time Director and other Directors (being the total of A & B)
@ being 11% of net profits of the Company calculated as per Section 198 of the Companies Act, 2013.
* not yet paid

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Ashok Kumar Sharma, Chief Financial Officer	Mr. Prakash Kumar Biswal, Company Secretary & Vice President-Legal	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,14,39,056.00	47,22,434.00	1,61,61,490.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) of the Income- tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	- others	Nil	Nil	Nil
5.	Others - Contribution to Provident Fund - Contribution to National Pension Scheme	 5,65,200.00 4,71,000.00	 2,23,200.00 1,86,000.00	 7,88,400.00 6,57,000.00
	Total (A)	1,24,75,256.00	51,31,634.00	1,76,06,890.00

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

For and on behalf of the Board of Directors

Place: New Delhi
Date: June 19, 2020

Saurabh Mittal
Managing Director & CEO
[DIN: 00273917]

Parul Mittal
Whole-time Director
[DIN: 00348783]

Annexure-VII

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:

- Installation of hot water generator at Behror Plant, results in huge saving in ground water withdrawal to the tune of 3,000 KL/annum. This has a potential to enhance product quality and improving the environment as there will be a saving in fuel cost by 5 percent.
- Installation of VFDs at 45 kW compressors which saves energy by approximately 41,016 KWH per annum at Behror Plant.
- Installation of Auto CMD Controller of 11,000V at Nalagarh Staff Colony, which control the voltage fluctuation and power. It contributes in the annual power saving of 28,000 KWH Approximately.
- Reusing 360KL per annum RO reject water by softening.

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

Installation of 60 lakh kcal thermic fluid heater run by using agriculture waste (biofuel) instead of coal fire at Behror Plant.

(iii) Capital Investment on energy conservation equipment:

- The expenditure incurred for installation of hot water generator is approximately ₹2.0 crore.
- The expenditure of VFDs is approximately ₹4.0 lakh.
- The expenditure on installation of biofuel thermic fluid heater is approximately ₹1.75 crore.
- The expenditure incurred on installation of CMD Controller of 11,000 V is ₹1.56 lakh.

(B)Technology Absorption:

i. Efforts made towards technology absorption:

- Installation of 60 lakh kcal thermic fluid heater using agricultural waste (biofuel) instead of coal fire at Behror Plant.
- New technology CNC machine installed in cubical section for development of new and closed dimensions products.
- New textures; Subway Tile and Terra introduced for international customer and Crossline Vector introduced for capacity enhancement.

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

a. Environment & Safety:

i. Wet scrubber installed on the flue gas emitted from thermic fluid heater for reducing air pollution at Behror Plant.

ii. Wet scrubber installed on the flue gases emitted from thermic fluid heater. This will improve the quality of air exhaust to environment as per the norms prescribed at Nalagarh Plant.

iii. Installation of hot water generator for saving the extraction of ground water.

iv. Installation of VFDs on compressors contributes in energy saving.

v. Installation of biofuel thermic fluid heater for reducing consumption of coal and reducing air pollution.

b. 16 daylight press is under installation, which will increase the production capacity of laminates sheet at Behror Plant by approximately ₹18 lakh sheets per annum.

c. New impregnator with latest technology of 12 zone installed with high speed of 120m/minute and better features to enhance production capacity at Nalagarh Plant.

d. One chiller AHU unit installed at Nalagarh Plant to control and maintain the product preservation under control environmental conditions.

e. One new press of 10'X4.25' installed at Nalagarh Plant to match the requirements of international customers and enhancement of production capacity.

f. One new shrink wrapping machine installed at Nalagarh Plant to improve the product packaging standard.

g. SEDEX 4 pillar certification acquired at Nalagarh Plant by matching the customer business ethics requirement.

h. Machines installed in Mikasa Door & Frames Plant to increase productivity:

- Comeva Door milling machine: Door lock & hinge recessing for mass production
- Linear profile sander: sealer sanding activity
- Vacuum coating line: sealer application for mass production
- Four side molder-6 spindles - REIGNMAC M33- planning and moulding activities for solid wood frames and components
- CNC frame milling machine - EMINTOSUN: frame lock & hinge recessing for mass production
- Spray booth: Painting/polishing activities for Frames, Doors and components
- Cut off saw - SCS 600-Complement the existing machinery to enhance production
- Tilting spindle shaper complete with auto feeder - HS735TS -solid wood moulding profiles including grooving and complex shaping activities
- Four side moulder - REIGNMAC M16- flooring profiling, planning and moulding activities for solid wood
- Automatic through feed edge bander - BIESSE- PVC edge banding activity introduced
- L-shaped machine dished - HIZMET LMT 3520- for making L-shaped architraves
- Profile wrapping machine - UNIMAC PW35 F65- EC-Paper/veneer wrapping concept on different variants of substrates.
- Strapping & trimming machine - ST210- bundling/ strapping of L-shaped architraves during production
- Straight line rip saw machine: ripping the RAW lumber to the desired sizes
- Multiple rip saw with double surface planner - VH ML-9321- planning and ripping to convert to various components made of semi-finished lumber
- Laboratory equipment for door testing

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

a. Details of technology imported: Technical Know-how for manufacturing and improving the product interior clads using Compact Laminate as cladding material from Frankonia Systems of Germany.

b. Year of import: 2017-18

c. Whether the technology been fully absorbed: Yes

d. If not fully absorbed, areas where absorption has not taken place, and the reason thereof: NA

iv. **Expenditure incurred on Research and Development:**

a. Capital: Nil

b. Recurring: Nil

C) Foreign Exchange Earnings and Outgo

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

(₹ in lakh)

Particulars	March 31, 2020	March 31, 2019
Earnings on account of:		
a) FOB value of exports	47,531.41	41,227.66
b) Others	71.38	83.35
Total	**47,602.79**	**41,311.01**
Outgo on account of:		
a) Raw materials	34,457.93	36,350.64
b) Capital goods	425.11	588.92
c) Traded goods	-	-
d) Stores & spare parts	346.18	386.48
e) Others	653.25	518.19
Total	**35,882.47**	**37,844.23**

For and on behalf of the Board of Directors

	Saurabh Mittal	**Parul Mittal**
Place: New Delhi	*Managing Director & CEO*	*Whole-time Director*
Date: June 19, 2020	[DIN: 00273917]	[DIN: 00348783]

Annexure-VIII

A. Particulars of employees for the year ended March 31, 2020 as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 is as under:

Sl. No.	Name of Director	Designation	Ratio of the remuneration of each director to the median remuneration of employees
1.	Mr. Shiv Prakash Mittal	Non-Executive Chairman	6.99
2.	Mr. Saurabh Mittal	Managing Director & CEO	201.89
3.	Ms. Parul Mittal	Whole-time Director	107.23
4.	Mr. Vijay Kumar Chopra	Independent Director	9.68
5.	Mr. Sandip Das	Independent Director	8.05
6.	Ms. Sonali Bhagwati Dalal	Independent Director	10.22

ii. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20:

Sl. No.	Name of Director	Designation	% increase in Remuneration in the financial year 2019-20
1.	Mr. Shiv Prakash Mittal	Non-Executive Chairman	Not Applicable@
2.	Mr. Saurabh Mittal	Managing Director & CEO	4.65%
3.	Ms. Parul Mittal	Whole-time Director	(0.36)%
4.	Mr. Vijay Kumar Chopra	Independent Director	83.09%
5.	Mr. Sandip Das	Independent Director	Not Applicable@
6.	Ms. Sonali Bhagwati Dalal	Independent Director	90.58%
7.	Mr. Ashok Kumar Sharma	Chief Financial Officer	8%*
8.	Mr. Prakash Kumar Biswal	Company Secretary & Vice President-Legal	10%*

*On full entitlement basis.

@Mr. Shiv Prakash Mittal and Mr. Sandip Das didn't received any remuneration during the financial year 2018-19 and hence percentage increase in their remuneration in the financial year 2019-20 cannot be determined.

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

During the financial year 2019-20, the remuneration of median employees of the Company was increased by16.54%.

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

As on March 31, 2020, there were 1,944 permanent employees on the rolls of the Company.

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

Average percentage increase in salary of the Company's employee (other than the managerial personnel) during the financial year 2019-20 was approximately 9.74%.

The total managerial remuneration for the financial year 2019-20 was ₹8,85,28,984.00 as against ₹8,14,30,000.00 during the previous year 2018-19. The percentage increase in the total managerial remuneration during the financial year 2019-20 was 8.72%

During the financial year 2019-20, the percentage increase in the remuneration of Mr. Saurabh Mittal, Managing Director & CEO was 4.65%. There was no increase in the monthly remuneration of Mr. Saurabh Mittal, Managing Director & CEO of the Company, however, the overall increase in his total remuneration represent the increase in the amount of profit-linked annual commission payable to him even after his voluntary reduction in the annual commission to 2.25% for the financial year 2019-20.

Further, during the financial year 2019-20, the remuneration of Ms. Parul Mittal, Whole-time Director of the Company decreased by 0.36%. As there was no increase in the monthly remuneration of Ms. Parul Mittal, Whole-time Director of the Company and the amount of profit-linked annual commission payable to her decreased as she volunteered to reduce her annual commission to 1.25% for the financial year 2019-20.

Further, the annual commission payable to independent directors was revised from ₹10 lakh to ₹18 lakh per annum on pro-rata basis of their tenure in any financial year, with effect from the financial year 2019-20, approved in the last Annual General Meeting held on August 10, 2019.

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

It is hereby affirmed that the remuneration paid during the year ended March 31, 2020 is as per the Remuneration Policy of the Company.

B. Particulars of employees for the year ended March 31, 2020 as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name of the employee	Age (years)	Designation	Remuneration Received (₹)	Qualification	Experience in years	Date of commencement of employment	Last employment
1.	Mr. Saurabh Mittal	44	Managing Director & CEO	5,19,48,000.00	B. Com	23	01/04/2002	Himalaya Granites Limited
2.	Ms. Parul Mittal	42	Whole-time Director	2,75,90,000.00	B. Com	18	11/11/2014	Greenply Industries Limited
3.	Mr. Anuj Sangal	52	Country Head - Laminates & Allied	2,09,41,222.00	BE (Civil), MBA	27	01/04/2015	Mayur Ply Industries Pvt. Limited
4.	Mr. Pankaj Rishi	50	COO-Middle East & North Africa	2,05,91,180.00	BA, MBA	27	01/12/2016	Engineering Building Materials Co. Wll
5.	Mr. BL Sharma	63	Head of Manufacturing	2,04,88,437.00	B.Sc., LLB, MBA	39	01/09/2013	Stylam Industries Limited
6.	Mr. Shivaji Mohinta	52	Country Head- Decorative Veneer & Flooring	1,41,63,042.00	Strategic Mgt. Diploma	30	26/12/2014	Hunter Douglas India Pvt. Ltd.
7.	Mr. Ashok Kumar Sharma	51	Chief Financial Officer	1,24,75,256.00	CA	27	23/12/2013	Su-Kam Power System Limited
8.	Mr. Uppaluri Narayana Sarma	50	President – Manufacturing Chip Board & Engineering Services	1,03,97,736.00	Diploma in Mechanical Engineering	29	19/03/2018	Associate Decor Ltd.
9.	Mr. Lokesh Dutt	52	Senior Vice President – Exports	72,00,760.00	B. Tech, B.E.	27	05/04/1993	Himalaya Granites Limited
10.	Mr. Alex Joseph	43	Senior Vice President - Marketing	68,70,615.00	MBA, PGDM	20	12/11/2008	TBWA India Limited

Notes:

1. Remuneration shown above includes salary, allowances, cost of accommodation, medical reimbursement, contribution to provident fund, annual commission and other perquisites as per the terms of employment. However, the above remuneration does not include provision for gratuity and expenses towards club membership fees.
2. All the employees have requisite experience to discharge the responsibility assigned to them.
3. Nature and terms of employment are as per resolution/appointment letter.
4. None of the employee, as referred under Rule 5(2)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, owns 2% or more of the equity shares of the Company as on March 31, 2020.
5. Within the meaning of Section 2(77) of the Companies Act, 2013, Mr. Shiv Prakash Mittal, Mr. Saurabh Mittal and Ms. Parul Mittal are the directors of the Company and are related to each other.

For and on behalf of the Board of Directors

	Saurabh Mittal	Parul Mittal
Place: New Delhi	*Managing Director & CEO*	*Whole-time Director*
Date: June 19, 2020	[DIN: 00273917]	[DIN: 00348783]

Management discussion and analysis

Global economic review

The global economy grew 2.9% in 2019 compared to 3.6% in 2018 as the result of an increase in trade disputes globally and slowdown of the manufacturing sector, coupled with a global financial crisis and Brexit. Global trade grew a mere 1.2% in 2019 due to trade tensions and slower economic growth.

Global economic growth over five years (%)

	World output	Advanced economies	Developing and emerging
2015	3.5	2.3	4.3
2016	3.4	1.7	4.6
2017	3.9	2.5	4.8
2018	3.6	2.2	4.5
2019	2.9	1.7	3.7

(Source: IMF)

Indian economic review

The Indian economy slowed to 4.2% in FY2019-20, compared to 6.1% in FY2018-19. In FY2019-20, GDP growth slowed, which contributed to an increase in fiscal deficit mainly on account of lower aggregate demand, lower fiscal revenue, lower economic activity and higher fiscal expenditure on account of the measures to address the economic slowdown.

India emerged as the fifth-largest world economy in 2019. India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking. The country climbed 79 positions in five years and was among the top 10 performers for the third year running.

The nominal per capita net national income was estimated to be ₹134,226 in FY2019-20, up 6.1% from ₹126,521 in FY2018-19. Retail inflation climbed to a six-year high of 7.59% in January 2020, breaching the RBI's upper band of 6% while settling at 5.91% in March 2020. Growth in nominal rural wages, both for agricultural and non-agricultural labourers, remained subdued averaging around 3.4% and 3.3% respectively during FY2019-20 so far (until January 2020), reflecting a continued slowdown in the construction sector.

The outbreak of COVID-19 and the subsequent lockdown enforced in the country are expected to moderate demand. Intensification of social distancing is expected to lead to supply side as well as demand side shocks. Supply chain disruptions could hurt domestic production in sectors which are dependent on imported inputs such as pharmaceuticals, automobiles, chemicals, power, etc.

Growth of India's GDP in FY2019-20

	Q1, FY20	Q2, FY20	Q3, FY20	Q4, FY20
Real GDP growth (%)	5.2	4.4	4.1	3.1

(Source: Economic Times, CSO, Economic Survey, IMF, RBI, Franklin Templeton, PIB)

Key government initiatives

National infrastructure pipeline: To achieve a GDP of US$5 trillion by 2025, the government announced a National Infrastructure Policy with an investment plan worth ₹102 trillion in five years. It laid down the vision of the government in terms of job creation: about 50 million people are expected to leave farming from 2012 to 2030, the transition being underway.

Corporate tax relief: Indian companies were unable to compete globally, with the cost of capital and corporate income tax (CIT) being significantly higher than overseas competitors. In view of this, the government reduced the corporate tax rate to 22% from 30%; it announced a new tax rate of 15% for new domestic manufacturing companies, strengthening the Make-in-India initiative. The new effective CIT would be 25.17%, inclusive of a new lower surcharge of 10% and cess of 4%. India's CIT is now closer to the global average statutory CIT of 23.03%.

Furniture market overview

The Indian furniture market, expected to cross US$32 billion by 2019, is projected to attain a market value of around US$61 billion by 2023. While the residential sector contributed around 63% to the market value of the country's furniture industry in 2018, the share of the most dominant market segment in the sector, wooden furniture, is expected to grow at a CAGR of around 11% during the period of 2018-23.

The lockdown caused by the COVID-19 pandemic affected the wood panel industry and business. Even after the lockdown is lifted, the market could be affected as furniture is considered a luxury segment. (Source: Economic times, Ply Reporter)

Demand drivers

Increasing incomes: According to World Bank, India has halved its poverty rate since the 1990s. According to NITI Aayog, as many as 300 million Indians were lifted above the poverty line between 2004 and 2018.

Urbanisation: 34% of India's population is urban and by 2030, urbanisation is expected to reach 40%, driving the laminate market in the country.

Real estate development: This Indian sector is expected to reach a market size of US$1 trillion by 2030 from US$120 billion in 2017. Increasing share of real estate in India's GDP is likely to be supported by increasing industrial activity, improving incomes, growing aspirations and urbanisation.

Hospitality space: The sector is likely to attract an annual investment of US$0.5-0.6 billion during 2018-2022 and a total investment of up to US$2.8 billion by 2022, resulting in increased demand for furniture.

Rising population: By 2027, India is projected to overtake China as the world's most populous country. India is adding nearly 15 million people to its population every year, the largest annual increment anywhere. This will ensure that the company's addressable market will grow sustainably.

Housing for All: Under the scheme, 60 million houses are to be built which include 40 million in rural areas and 20 million in urban area by 2022.

Growing retail space: The country's office leasing volume rose 27 percent year-on-year to an all-time high of 60.6 million square feet in 2019, increasing the requirement for furniture.

(Source: United Nations, Bloombergquint, Economic Times, IBEF)

Global laminates industry overview

The global laminate industry is estimated at US$ 7.2 billion and is growing at 3-5% per annum. On a regional basis, the US leads the market with a share of 20%. With rising population and improving standards of living, there has been an increase in the demand for modern housing, particularly in emerging nations, which has grown the market. Advancements in printing technologies and the introduction of innovative designs have been other drivers of the global laminates market. The high-pressure laminates market is sub-divided in terms of surfaces, applications and end-users.

By surface	By application	By end-user
• Horizontal • Vertical	• Furniture and cabinets • Flooring • Wall panels • Others	• Residential • Commercial • Industrial

(Source: https://www.openpr.com/news/1892806/global-share-of-high-pressure-laminate-market-to-surpass-6340-0)

Indian laminates industry overview

The Indian laminates manufacturing sector saw less new plants in 2019 compared to the previous three years, but several new presses started commercial production in Northern India between January and November 2019.

Demand in 2019 was subdued and various laminate manufacturers in western and northern parts of the country were compelled to increase the production of liner grade laminates. Favourable raw material prices throughout the year helped liner grade producers survive the year. Out of 300 HPL manufacturing units, more than 100 units ran their plants on liner laminate supplies. The rise in liner laminate was due to demand from Nepal, Bangladesh, Bhutan and other neighbouring countries.

The 1 mm laminates market continued to see consolidation. GST, product offering, showrooms, innovation, aggressive working, project approvals from government, among others helped companies to maintain their growth despite oversupply and dull market.

Mid-sized 1 mm laminate brands struggled, which increased supply of 0.92 mm laminates. The year 2019 also witnessed the growth in all value-added products such as exterior grade laminates, digital, interior cladding, anti-finger print laminate etc. that helped stronger brands to outgrow the market. (Source: Ply Reporter)

About Greenlam Industries

Greenlam Industries has emerged as a one-stop solution provider for surfacing products. The Company has evolved as the largest laminate manufacturer in Asia and among the three largest in the world. The Company is also India's only manufacturer of engineered wooden flooring and first organised manufacturer of engineered wooden doors.

Greenlam's products are produced in state-of-the-art manufacturing facilities in Behror and Nalagarh with a cumulative manufacturing capacity of 15.62 million laminate sheets per annum and 4.20 million square metres per annum of decorative veneers. Greenlam enjoys an export presence in >100 countries. The Company's entrenched presence, qualitatively consistent products, wide variety, unique designs, professionally-managed team and experienced sales personnel have allowed it to carve out a organised domestic market share of 19.2% in the laminates segment and 11% in the decorative veneers segment.

Laminates and allied segment

Manufacturing facilities: Behror, Rajasthan, and Nalagarh, Himachal Pradesh

Installed capacity: 15.62 million sheets per annum

Leading brands: Greenlam, New Mika, Greenlam Clads and Greenlam Sturdo

Production during FY2019-20: 13.74 million sheets

Production growth over FY2018-19: 0.4%

Capacity utilisation: 92% (on proportionate enhanced capacity)

Sales, FY2019-20: 13.30 million sheets

Sales volume growth over FY2018-19: (2.1%)

Revenues, FY2019-20: ₹1032.5 crore

Segment contribution to total revenues, FY2019-20: 84.1%

Revenue growth, FY2019-20: 3.3%

Capital employed, FY2019-20: ₹392.7 crore

Overview

During the year under review, growth in the Indian laminates market remained subdued due to slower real estate growth, tightened liquidity, slower overall economic growth and came to a halt during the last 10 days of the fiscal due to a lockdown to contain the spread of COVID-19.

On the backdrop of operational issues in the first quarter due to migration of ERP, coupled with a business loss in the fourth quarter due to COVID-19, Greenlam's laminate business grew revenues 3.3% during the year, retaining its position as the largest Indian laminates manufacturer. Greenlam is also one of the three largest laminate players in the world.

Highlights, FY2019-20

- Sales de-growth of 2.1% owing to the drop in demand in the fourth quarter and operational challenges in the first quarter
- Capacity utilisation at 92% (on proportionate enhanced capacity) compared to 98% in FY2018-19
- Gross margin strengthened 370 bps over FY2018-19
- Laminate exports by value grew by 12% y-o-y
- Added 300+ channel partners across the country
- Launched shade card 'Greenlam 2020-22' at a global event in Baku, Azerbaijan. This new range comes with 82 new decors and 3 new textures (Trace, Aria & Satin). The collection has been introduced to a number of dealers and retail counters where it received an overwhelming response for innovative display and features with a blend of physical and digital presentations through folder and QR code of every shade in the catalogue
- Introduced full sheet display in a number of centres

Challenges and counter-initiatives

- Weak real estate sentiment is a challenge which is affecting our downstream demand. In order to mitigate this challenge, we have been increasingly focusing on Tier-II cities in order to increase our people outreach and expand our customer base.
- Pricing pressure from competition has been a constant challenge even we lost some orders as we did not compromise with our bottom-line. In order to mitigate this challenge, we focused on expanding our outreach to central and state government projects, railway projects and airport projects. Further, we have also differentiated ourselves in the year under review on the back of the launch of new catalogue 'Greenlam Collection 2020-22'.
- The year 2019-20 was marked by an economic downfall which has led to sluggish overall economic outlook for the next fiscal as well. We have focuses extensively on enhanced engagement with the specifiers and influencers by giving them presentations on various product range, in order to lure in more customers. Further, we have also focused on product training, soft skill training and presentation training to employees in order to increase our customer-centricity, which we believe will help us sustain customers in these difficult times.

Strengths

- One of the largest sectoral manufacturing capacities providing scale and economies
- More than twenty-five years of sectoral experience
- Consistent focus on quality resulting in enhanced consumer trust
- Best-in-class product generation on the back of superior technological expertise
- Established brand recall based on quality products at competitive prices
- Global footprint spanning > 100 countries, with exports accounting for > 48% of revenues
- Portfolio comprising > 10,000 SKUs
- Best-in-the-sector product catalogue

Outlook

- Increasing manufacturing capacity and enhancing capacity utilisation
- Leveraging technology to accelerate the introduction of innovative value-added products.
- Focus on pharma and healthcare sector
- Reinforcing laminates in 0.7 mm thickness, with an enhanced range to cater to the liner category

Decorative veneers and allied products segment

A. Decorative veneers

Brand: Decowood

Manufacturing facility: Behror, Rajasthan

Installed capacity: 4.20 million square metres per annum

Production, FY2019-20: 1.57 million square metres

Production growth: (10.7%)

Sales during FY2019-20: 1.54 million square metres

Revenues earned during FY2019-20: ₹112.7 crore

Contribution to total revenues during FY2019-20: 9.2%

Revenue growth during FY2019-20: (13.7)%

Overview

The decorative veneer market was valued at ₹2000 crore with organised players accounting for nearly 60% share. Greenlam is India's largest decorative veneer manufacturer with an installed capacity of 4.20 million square metres per annum. The veneer segment is largely driven by demand from the residential, HNI and hospitality segments.

Highlights, FY2019-20

- Maintained product quality, policies and commercial practices inspite of unhealthy competition
- March 2020 sales were affected due to the pandemic
- Introduced variants in the same product categories
- Witnessed a rise in demand for dyed range of veneers
- Price wars emerged in veneers
- Selective expansion in dealer network of Teak Veneers
- Segmented the range to cater to specific tastes, preferences and price points in natural veneers
- Added features in veneers in terms of texture (impressions or cuts), treatment and patterns
- Enhanced demand generation through specific applications
- Introduced contactless sample deliveries for architects and designers, which was widely appreciated
- During the lockdown period, the sales and specification team engaged in product training and design for architects through Zoom/Skype

Challenges and counter initiatives

The overall market conditions were not favorable and there was a price erosion due to generic competition with significantly lower prices. The market suffered from a liquidity crunch, impacting working capital efficiency. We addressed these challenges by focusing on the right customers, stronger specifications of our brand with personalized connect, increased intensity of service in terms of quick response, better understanding of requirements and catering to them.

Strengths

- More than twenty five years of rich sectoral experience
- More than 25 dedicated relationship managers were deployed, each to interact with 60 key architects and designers
- Ability to launch 15-20 new products each quarter

- Ability to connect and engage with the design fraternity
- Strong sales team, infrastructure bandwidth, knowledge capital, selling tools and aids
- CRM to track and monitor customer journeys

Outlook
- The Company expects to leverage its pricing power while introducing value-added products
- Promoting mid-range products as viable and cost-competitive alternatives
- Expect to venture deeper in the existing market.

B. Engineered wooden flooring segment

Brand: Mikasa Floors

Manufacturing facility: Behror, Rajasthan

Installed capacity: 1.0 million square metres per annum

Production, FY2019-20: 0.2 million square metres

Production growth: 19.3%

Sales during FY2019-20: 0.2 million square metres

Revenues earned during FY2019-20: ₹48.4 crore

Contribution to total revenues during FY2019-20: 3.9%

Revenue growth during FY2019-20: 12.2%

Overview

The engineered wooden flooring market in India is driven by the recommendation of architects, carpenters and contractors. Greenlam is the only Indian manufacturer of these products with an installed capacity of 1.0 million square metres per annum.

The Company's state-of-the-art manufacturing processes and a variety of styles and designs have empowered Greenlam to attain sustainability. The product is engineered to withstand climactic vagaries typical to India. With a unique product positioning, wide range and up to a 30-year warranty, Mikasa is affordable and technologically-superior than most imported brands. In 2019-20, the pace of new project orders in flooring reduced due to slow completion. Although the industry relies on imports, yet a shift from imports to domestic brands was visible during the year.

Highlights, FY2019-20
- New products for specific applications like stair case flooring with accessories was introduced
- Grew revenues 12.2% over the previous year by banking on the growing trend of wooden flooring in high-end master bedrooms, luxury hotel rooms and business complexes
- Added 35+ new channel partners across the country. Further, the brand 'Mikasa' also got specified for four mega-projects
- Highlighted product superiority and product awareness through demonstrations and presentations
- Major billing was disrupted in March 2020 due to the lockdown
- Several top importers and retailers of wooden flooring partnered with Greenlam during the year, which highlights product acceptability and confidence

Challenges and counters

Slowdown in real estate activity resulted in execution delays. Addition of new customers in retail and private labels helped Greenlam stay ahead of the curve

Strengths
- Greenlam is the only Indian engineered wooden flooring manufacturer
- The Company's experience of more than 25 years in providing interior solutions and expertise in transforming interiors lends it a strategic edge in the wooden floorings business

Outlook
- The Company will continue to engage with high-end developers, designers and architects, widening the appeal of its products
- The Company is in a position to capitalise on the initiative 'Vocal for local'

C. Engineered doors segment

Brand: Mikasa Doors & Frames

Manufacturing facility: Behror, Rajasthan

Installed capacity: 1.2 lakh doors per annum

Production, FY2019-20: 34596 units

Production growth: 62.9%

Sales during FY2019-20: 37834 units

Revenues earned during FY2019-20: ₹33.7 crore

Contribution to total revenues during FY2019-20: 2.8%

Revenue growth during FY2019-20: 50.0%

Overview

Greenlam is India's first organized manufacturer of engineered wooden door sets with an installed capacity of 1.2 lakh doors per annum, addressing a widening replacement opportunity while venturing into institutional sales where there is a premium on timely delivery. Engineered wooden door sets are considered premium over traditional door sets. The company is optimistic about prospects in these businesses leading to sustained market outperformance. The company offers laminated, veneered or painted doors and frames. Mikasa offers solutions in line with fire safety regulations such as FD30, FD60, FD90 and FD120 mins doors which have been recognized for their performance by leading certification bodies such as Exova UK with the Q-Mark Certification. Mikasa Doors is also registered under Maharashtra Fire Prevention and Life Safety Measures Act, 2006. This opens a vast opportunity in the hospitality, healthcare, retail and high-end residential markets. The company organises B2B and influencer outreach programs and tie-ups with real estate developers, addressing every opportunity in the market. The industry is also transforming from traditional carpentry to factory-finished door solutions owing to super finish and product performance.

Highlights, FY2019-20
- The Company consolidated its market share and position across five focused markets (Delhi-NCR, Mumbai, Hyderabad, Bangalore and Chennai)
- The business is relationship-driven instead of transaction-driven. The result: 60% of revenues generated from 23 repeat orders across its markets
- The Company bagged contracts to supply products to some of the major real estate developers such as Oberoi Realty, Kalpataru, Prithu Homes, Great Value, Mahavir Builders, Ajmera Realty, Vajram Developers, Bren Corporation and CPR construction, among others in India
- The Company identified the gaps in the value chain and took necessary measures such as choosing quality suppliers, identifying the right product for the right place, improved packaging, and post-installation services to streamline the process from raw material to installation and delivery
- The Company introduced peak frames collection
- The Company added 10 new project clients to its engineered door business
- The Company generated 15% of its revenues by exporting engineered doors to UK (Britain and Scotland) and Dubai and generated 85% of its revenues from the domestic business
- The Company launched a mid-premium product Dura collection series in 2018-19, attracting more customers across the mass premium category. There are 3-4 projects in the pipeline for the product
- The Company focused on fire-resistant, veneer-based designer and acoustic doors, enhancing value-added sales
- Fire-resistant doors and Dura series accounted for 20% of total door revenues, veneer designers doors accounted for 60% and acoustic doors are at a nascent stage

Key challenges and counter initiatives
- Competition from local players impacted the business. The Company created awareness of its product (engineered doors) and product benefits by reaching out to major real estate developers in its chosen markets. The Company's post-sales services attracted more customers. The company enjoys bandwidth across quality services, availability, installation, protection and warranty management.
- In this competitive industry, it is difficult for a new brand to enter the market. Gradually real estate developers are shifting from local door manufacturers to engineered door manufacturers. This shift is driven by government regulations such as the RERA Act where the developer is allocated a specified time for the completion and delivery of projects. Earlier, site-made doors accounted for 80% of the door industry, which has come down to 40%. Moreover, the Company acts as a consultant to developers instead of just selling products.

Strengths
- Forward integration solution backed by manufacturing capabilities of laminates and decorative veneers enable us to provide a wider choice to customers at the best price
- Mikasa offers a wide variety of designs at various price points across segments
- The Company enjoys a strong brand recall around quality, durability, availability and service.
- The Company has a footprint across major cities in India.

- The Company sourced cutting-edge equipment from Taiwan and France, ensuring quality products for customers.
- The Company acts as a consultant in the best interest of clients, ensuring timely delivery and providing post-installation services.

Outlook

- The Company expects to add >20 clients to its repeat order clientele base
- The Company bagged export orders for engineered doors from Sri Lanka and Bahrain
- The Company is looking forward to expand its footprint to Ludhiana, Chandigarh, Jaipur, Indore, Cochin, Lucknow, Pune and Visakhapatnam
- Although the Covid-19 outbreak could impact business, the Company made a proactive decision to maintain inventory of raw material for six months, protecting from raw material price increases

Fire-resistant and veneer doors are expected to enhance realisations. The company is focusing on achieving 60% capacity utilisation. The company is expecting 100% growth in its domestic and international business.

Procurement

The Company has a strong and robust procurement and supply chain mechanism. The Company ensured timely payments to MSME suppliers. Greenlam procures all resources from GST-compliant vendors. The Company has a well-defined system for currency hedging and fluctuations in raw material prices, handled by its Treasury department. The company makes stable and regular orders and ensures timely payments to its suppliers, establishing long-term relationships.

Highlights, 2019-20

- The Company implemented an online boarding process for vendors where essential details like billing address, GST number, phone numbers and email id, among other information of the suppliers, was updated, ensuring transparency.
- The Company approved pre-defined norms with international suppliers for the forward buying of global materials, whereas the materials were delivered at a later date when required, reducing storage costs.
- The Company implemented software to monitor MSME suppliers and ensure timely payments.
- The Company started bidding for a quarterly reverse option for fuel sourcing to get the lowest price.

Outlook, 2020-21

Going ahead, the Company will strengthen the procurement team to meet accelerated demand from the expanding footprint. It is expected that the cost of crude-dependent raw materials could reduce and ease procurements.

Operations

Greenlam is not just the largest laminates manufacturer in the country but also the most technologically advanced in its peer group. Various initiatives undertaken towards automation helped optimise costs, improve efficiency and enhance qualitative consistency. The Company undertook measures to make processes energy-efficient and sustainable, which helped grow competitiveness, market share and margins.

Information technology

Owing to the increasing disruption brought in the laminates industry on the back of ever-changing technology, the importance of adopting the latest technology has become critical. Technology plays a vital role in gathering information and evaluating them based on their potential and helps evaluate the processes of the business value-chain. Greenlam focuses on gauging correctly the potentially high-information intensity variables associated with stakeholders (customers, suppliers, employees, etc) and products (raw material alternatives, processing schedules, etc) to devise a strategy with greater flexibility in operations, which help in identifying priority business processes for investment in information technology.

Highlights, FY2019-20

- The Company focused on re-implementing ERP as a green-field project during the year under review. Greenlam upgraded its ERP from SAP ECC 6.0 to S4 Hana 1809, ensuring increased transparency and the automation of processes.
- The Company brought the plant maintenance processes under the ERP system, ensuring improved transparency and allowing the Company to act proactively in debottlenecking in addressing operational challenges.
- Considering the uniqueness of Greenlam's business processes and diverse nature of business operations (B2B, B2C, MTO, MTS), the Company focused on developing its own technological digital core by developing its CRM, which would be aligned to the processes and needs. By having its digital core, the Company got an edge in terms of improved agility and flexibility.
- Considering the varied requirement and flexibility by the ongoing IT initiatives, the Company decided to move on to a Hybrid Cloud setup for its infrastructure needs, ensuring easy deployment and management.

Outlook

Greenlam outlined a long term technology roadmap with its specified intent of moving forward. The Company intends to enhance CRM platform capabilities to meet the requirements of OEM and trade business, building a robust platform for taking care of marketing process management, building capabilities to develop partner eco-systems and supply chain optimisation using technology over the next five years.

The Company's outlook for the next fiscal is as follows:

- Leveraging further on the S4H platform to enhance transactional transparency, ease of operations and information availability to make decision-making more effective.
- Creating Warranty Management System for Floors/ Doors/RC business
- Enhancing Customer Support & Redressal Portal (CSRP) and increasing its reach to other lines of business
- In light of COVID-19, enhancing the Company's backbone technologies to support the 'work from anywhere' environment.
- In order to increase employee productivity and efficiency, the Company is in need of ensuring proper governance in a remote/work from anywhere environment on the back of right collaborative technologies for video-conferencing and data sharing, among others
- Reviewing and re-designing the Company's IT policies in line with General Data Protection Regulation (GDPR) and Indian Data Privacy Law structures

Quality Assurance

Greenlam's products appear on the surface of decorative furniture, which makes durability and quality aspects one of the major attributes that customers look for in the product. Productivity from each process is a combined measure of quality assurance and output. Greenlam focuses on a strict quality assurance, wherein each process is monitored with respect to specified quality parameters at each step. In view of this, a culture of encompassing quality control has been inculcated across the organisation. Greenlam's definition of Quality Assurance extends beyond meeting specified standards and attributes in meeting the primary interest of customers since the products are aimed at imparting health, hygiene and environment conservation.

Highlights, FY2019-20

- Quality assurance specifications for incoming and final products have been adapted to SAP Hana-QA module and driven accordingly
- Set up a full-fledged laboratory for the Mikasa engineered door plant
- Upgraded laboratories by adding a color comparison cabinet, ensuring improved evaluation of color capacity of inspection personnel by Munsell Fransworth Hue test
- Initiated the training of supplier laboratory teams in testing schemes and reporting results
- Newer tests for balcony applications and advanced fire conformance certifications were bestowed on the Company for products in European test labs

Outlook

- Quality assurance function would be upgraded to IMS (Integrated Management Systems) to drive the organisation's compliances
- The Company is aiming to attain ISO 45001 certification for the validation of safety systems, among one of the first companies in the laminates industry to achieve this
- Increase customer awareness and support by imparting more training and sharing vital and updated product application aspects. This would help in the reduction of field failures and, in turn, generate an improved customer satisfaction

Human resources

Overview

Greenlam has always viewed its human capital as its most critical asset. Sourcing of such right assets and managing them well has always been its philosophy. Greenlam believes that the industry we operate in, where products in the market are mostly look alike, people are the real differentiator and game changers. Employing the right people and doing things the right way would be the key to long-term profitable journey. As of March 31, 2020 the Company had 1944 employees on its payroll.

Highlights, FY2019-20

- Infusion of talent from varied industries at all levels ensuring new learning that challenge the status quo
- The Company focused on conducting exhaustive product training for the sales team, to prepare them better and inculcate in them a sense of pride and confidence
- The Company focused on improvement and automation of some of HR processes; Greenlam went live with the base module on SAP HANA for the HR function
- The Company undertook investments to offer employees an improved workplace and facility, ensuring optimal productivity

Outlook

The last few days of the previous fiscal were marked by the spread of the COVID-19 virus, which gave rise to a global crisis, following which India went into a nation-wide lockdown. This lockdown has impacted the Company's people practice. The primary focus will be on supporting the business and driving productivity as a culture rather than through one-off initiatives in the current fiscal (2020-21). The Company has the following outlook towards the current fiscal:

- Planned a transition to a new HRMS system to ensure that all people practices come one umbrella and right analytics is available to take progressive business decisions
- The Company will continue to focus on people development initiatives to ensure employees are trained on hard and soft skills to capture the market. In doing so, the Company plans to take the following initiatives:
  - Adopting new ways of engaging employees in a different and changed working environment
  - Last mile closure of all HR processes with the help of an automation drive

Financial overview

The Company's revenues grew by 2.6% to ₹1227.2 crore in 2019-20 compared to ₹1196 crore in the previous fiscal. EBIDTA stood at ₹160.9 crore compared to ₹138.5 crore in the previous year.

Key numbers

Particulars	2019-20	2018-19
Debtors' turnover (days)	36	42
Inventory turnover (days)	99	88
Interest coverage ratio	10.19	8.96
Current ratio	1.41	1.39
EBIDTA margin (%)	13.1	11.6
EBIDTA/Net interest ratio	10.19	8.96
Debt-equity ratio (x)	0.51	0.57
Operating profit margin (%)	13.1	11.6
Net profit margin(%)	7.5	5.4
Return on net worth	18.9	15.6
Book value per share (₹)	203.27	172.43

Note: Return on net worth was higher for the year ended March 31, 2020 due to a higher growth in Profit After Tax

Risks and concerns

Competition risk: There is a risk of market share erosion because of increased competition.

Mitigation: Greenlam's strong distribution network and wide bouquet of products across laminates, veneers, engineered floors and doors categories have enabled it to deepen market penetration. The focus on product quality and innovation has paved way for growth across market cycles.

Product risk: The Company's products might lose relevance and weaken offtake, leading to inventory pileup and declining revenues.

Mitigation: The Company manufactures product keeping in mind the current and future trend, product usability, quality, aesthetically-pleasing and price-value proposition. The Company diversified offerings ranging from engineered wooden floorings to doors, cementing its reputation as a complete home décor solution provider.

Finance risk: Inability to manage finances effectively could impact operational sustainability.

Mitigation: The Company has a robust receivable and payable management mechanism. The result during the fiscal gone by Greenlam's cash position stood at ₹25.3 crore, ensuring financial stability. The Company also enjoys a debt service ratio of 3.23 with a healthy interest cover of 10.19.

Quality risk: Inability to maintain qualitative consistency could impact product sales and brand image.

Mitigation: The Company's state-of-the-art facilities manufacture products of the highest standard, ensuring maximal resource utilisation and minimal wastage.

Distribution risk: An inefficient distribution network could restrict the Company's market access.

Mitigation: Greenlam's wide and robust logistics network, comprising >14,000 distributors, dealers and retailers spread across the country, helps address customer needs with speed. Besides, its presence in >100 countries allows it to cater to a wide customer base.

Technology risk: Technology obsolescence could dent the Company's competitiveness.

Mitigation: Greenlam recently upgraded its IT infrastructure to the latest edition of SAP HANA, aiding decision-making, improving efficiencies and ensuring access to real-time information.

Opportunities

Growing consumer preference for branded products is causing a shift from the unorganised to the organised market and we believe that when the market recovers from Covid-19 pandemic, there will be a greater preference to work with organised brands over unorganised ones, widening the market for companies like ours. We feel that imports could decline (especially in the engineered wooden flooring and engineered door segments), creating a larger opportunity for world-class home-grown brands like ours. We believe that in this sectorial churn, local and regional players could yield ground to large international brands like Greenlam.

Threats

Unorganised players pose a threat to branded products on account of a pricing pressure. Further regulatory restrictions on imports from neighboring countries could also pose a challenge as in a deeply price-competitive market, passing entire increased costs to consumers may not be feasible.

Internal control systems and their adequacy

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

Cautionary statement

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

Corporate Governance Report

FOR THE FINANCIAL YEAR 2019-20

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

1. Company's philosophy on the Code of Governance

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

2. Board of Directors ('Board')

a) Composition of the Board and Category of Directors:

The Board comprises of optimum combination of Executive, Non-Executive and Independent Directors. As on March 31, 2020, the Board of the Company comprises of 6 (six) directors;

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

During the financial year 2019-20, Ms. Urvashi Saxena, Independent Director of the Company has resigned from the Board of the Company, on personal grounds, w.e.f. April 01, 2019 and she also confirmed that there were no other material reasons other than those stated in her resignation letter.

Further, Mr. Sandip Das was appointed as an Additional Director in the category of Independent Director with effect from June 13, 2019 by the Board of Directors in their meeting held on June 13, 2019. His appointment was regularised by the shareholders in the 6th Annual General Meeting of the Company held on August 10, 2019.

The Company has complied with the requirements of having a woman independent director on its Board under Regulation 17(1)(a) of the SEBI Listing Obligations, 2015. The Company has two women directors on its Board as of March 31, 2020.

The composition of the Board is in accordance with Regulation 17(1) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 ('the Act, 2013'). Further, pursuant to Regulation 17(1A) of the SEBI Listing Regulations the approval of shareholders via special resolution has been obtained at the 6th Annual General Meeting for re-appointing Mr. Vijay Kumar Chopra as an Independent Director of the Company for 3 years with effect from the conclusion of 6th Annual General Meeting (AGM) up to 9th AGM as he would attain the age of 75 years during tenure of his second term.

The Independent Directors neither have nor had any material pecuniary relationship with the Company, its holding, subsidiary(ies) or associate Company(ies), or their promoters, or directors, during the two immediately preceding financial years or during the current financial year apart from receiving the sitting fees, reimbursement of expenses incurred for attending the Board meeting, Committee meetings, Independent Directors' meeting and annual commission. All the Independent Directors have satisfied the criteria of independence and confirmed that they are independent of management and are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence as laid down in Regulation 16(1)(b) & 25(8) of the SEBI Listing Regulations and Section 149(6) of the Act, 2013.

b) Attendance of each Director at the meeting of the Board of Directors and at the 6th Annual General Meeting of the Company and also the number of other Board of Directors or Committees in which a Director is a member or chairperson:

During the financial year 2019-20, 7 (seven) meetings of Board of Directors were held on May 30, 2019; June 13, 2019; July 25, 2019; September 30, 2019; November 07, 2019; January 29, 2020 and March 04, 2020.

Further one resolution was passed by the Board of Directors through circulation on May 18, 2019 in compliance with the provisions of Section 175 of the Act, 2013.

The composition of the Board of the Company and the attendance of each Director at the Board Meetings held during the financial year 2019-20 and at the previous Annual General Meeting ("AGM") i.e. at the 6th AGM held on August 10, 2019 and also the number of other Boards or Board Committees in which the Directors are member/ chairperson as on March 31, 2020 are as follows:

Sl. No.	Name of the Directors and DIN	Category of directorship	No. of Board Meeting(s)		Attendance at the 6th AGM	No. of outside directorship(s) held		No. of outside committee(s)@ (in public limited companies)	
			Held	Attended		Public	Private	Member#	Chairman
1.	Mr. Shiv Prakash Mittal [DIN: 00237242]	Non-Executive Chairman-Promoter Director	7	1	Yes	1	6	2	-
2.	Mr. Saurabh Mittal [DIN: 00273917]	Managing Director & CEO-Promoter Director	7	7	Yes	1	8^	-	-
3.	Ms. Parul Mittal [DIN: 00348783]	Whole-time Director-Promoter Director	7	6	No	1	3	-	-
4.	Mr. Vijay Kumar Chopra [DIN: 02103940]	Non-Executive -Independent Director	7	6	No	6	2	5	2
5.	Mr. Sandip Das [DIN: 00116303]	Non-Executive -Independent Director	5	5	Yes	1	1	2	-
6.	Ms. Sonali Bhagwati Dalal [DIN: 01105028]	Non-Executive -Independent Director	7	7	No	2	2	-	-

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

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

^Includes Directorships in foreign companies.

c) The name of other listed entities where Directors of Greenlam Industries Limited are directors and the category of directorship (as on March 31, 2020):

Sl. No.	Name of the Directors and DIN	Name of other Listed* Companies where directorship is held	Category of Directorship
1.	Mr. Shiv Prakash Mittal	Greenpanel Industries Limited	Executive Chairman
2.	Mr. Saurabh Mittal	None	-
3.	Ms. Parul Mittal	None	-
4.	Mr. Vijay Kumar Chopra	Future Enterprises Limited	Independent Director (Non-Executive Chairman)
		IIFL Finance Limited	Independent Director
		Sheela Foam Limited	Independent Director
		IIFL Facilities Services Limited	Independent Director
		Havells India Limited	Independent Director
5.	Mr. Sandip Das	Sterlite Technologies Limited	Independent Director
6.	Ms. Sonali Bhagwati Dalal	Greenply Industries Limited	Independent Director
		Selan Exploration Technology Limited	Independent Director

*Listed entities also include Companies having debt securities listed on recognized stock exchange.

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

d) Information supplied to the Board of Directors:

During the financial year 2019-20, all necessary information, as required under the applicable provisions of the Act, 2013, Part A of Schedule II of the SEBI Listing Regulations and SS-1 ("Secretarial Standard on Meetings of the Board of Directors") and other applicable laws, rules and regulations were placed and discussed at the Meetings of the Board of Directors.

e) Separate Meeting of Independent Directors:

During the financial year 2019-20, as per the requirement of Schedule IV of the Act, 2013 and the Regulation 25(3) of the SEBI Listing Regulations, 1 (One) separate meeting of Independent Directors was held on March 04, 2020 whereby, all the Independent Directors were present without the presence of the Non-Independent Directors and the members of the management of the Company. This meeting was conducted in a manner so as to enable the Independent Directors to discuss and review the performance of Non-Independent Directors and the Board as a whole, performance of the Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors and for assessing the quality, quantity and timeliness of flow of information between the Company management and the Board. The outcome of the meeting was apprised to the Chairman of the Company.

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

As on March 31, 2020, none of the Non-Executive Directors was holding any shares or convertible instruments in the Company except Mr. Shiv Prakash Mittal who is holding 5,06,000 equity shares of the Company (comprising of 2.10% of the total paid-up share capital).

g) Familiarisation programme for Independent Directors:

On an ongoing basis, the Company has conducted the Familiarization program for Independent Directors during the financial year 2019-20. The details for the same have been disclosed on the website of the Company at https://www.greenlamindustries.com/pdf-file/details-of-familiarization-programme-imparted-to-independent-directors.pdf

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

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

Sl. No.	Skills/Expertise/Competencies required by the Board of Directors		Status of availability with the Board	Name of the Director possessing such skills
1.	Understanding of Business/ Industry	Experience and knowledge of interior surface infrastructure businesses/ distribution/ marketing-domestic and international	Yes	Mr. Saurabh Mittal Ms. Parul Mittal Mr. Shiv Prakash Mittal Ms. Sonali Bhagwati Dalal
2.	Strategy and strategic planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies.	Yes	Mr. Saurabh Mittal Ms. Parul Mittal Mr. Shiv Prakash Mittal Mr. Vijay Kumar Chopra Mr. Sandip Das Ms. Sonali Bhagwati Dalal
3.	Critical and innovative thoughts	The ability to critically analyse the information and develop innovative approaches and solutions.	Yes	Mr. Saurabh Mittal Ms. Parul Mittal Mr. Shiv Prakash Mittal Mr. Vijay Kumar Chopra Mr. Sandip Das Ms. Sonali Bhagwati Dalal
4.	Financial Understanding	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.	Yes	Mr. Saurabh Mittal Mr. Shiv Prakash Mittal Mr. Vijay Kumar Chopra Mr. Sandip Das
5.	HR/people orientation	Experience and understanding of HR policies, of leading and managing HR activities, talent development and strengthening the people function.	Yes	Mr. Saurabh Mittal Ms. Parul Mittal Mr. Shiv Prakash Mittal Mr. Vijay Kumar Chopra Mr. Sandip Das
6.	Risk and compliance oversight	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, and monitor risk and compliance management frameworks.	Yes	Mr. Saurabh Mittal Mr. Shiv Prakash Mittal Mr. Vijay Kumar Chopra Mr. Sandip Das

i) 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(6) of the Act, 2013 and SEBI Listing Regulations, received from each of the Independent Director of the Company and as was placed before the Board of Directors in their meeting held on May 30, 2019 and June 13, 2019, it is confirmed by the Board of Directors that Mr. Vijay Kumar Chopra, Ms. Sonali Bhagwati Dalal and Mr. Sandip Das, the Independent Directors of the Company fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management.

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 2019-20, Ms. Urvashi Saxena, Independent Director of the Company has resigned from the Board of the Company, on personal grounds, w.e.f. April 01, 2019 and she has also confirmed that there was no other material reasons other than those stated in her resignation letter.

k) Disclosures of relationships between Directors inter-se:

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

3. Code of Conduct

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

4. Committees of Board of Directors

The Board of Directors of the Company being at the fiduciary position have crucial role in the governance structure of the Company and the Board has constituted various Committees to deal with specific areas/ activities which need a closer review or which are operational or routine matters. In order to perform the duties in true spirit and in the interest of the Company and its stakeholders in efficient and timely manner, the Board has delegated its powers to various committees.

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

a) Audit Committee

b) Nomination and Remuneration Committee

c) Stakeholders' Relationship Committee

d) Corporate Social Responsibility Committee

e) Operational & Finance Committee

a) Audit Committee

Composition:

As on March 31, 2020, the Audit Committee of the Company, comprises of 4 (four) Directors i.e. 3 (three) Non-Executive Independent Directors and 1 (one) Executive-Promoter Director.

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

Ms. Urvashi Saxena, Independent Director of the Company, resigned from the Board of the Company w.e.f. April 01, 2019 and simultaneously she ceased to be a member of the Audit Committee.

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

Mr. Sandip Das, Independent Director of the Company, was appointed as a member of the Audit Committee by the Board of Directors w.e.f. June 13, 2019.

The composition and terms of reference of the Audit Committee conforms to the requirements of Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Act, 2013. All the members of the Audit Committee are financially literate and Mr. Vijay Kumar Chopra, Chairman of the Audit Committee is a qualified Chartered Accountant and thus Company fulfil the requirement of appointing at least one member having accounting or related financial management expertise.

Terms of Reference of the Audit Committee are as follows:

Powers of the Audit Committee:

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

Role of Audit Committee:

The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors except those which are specifically prohibited;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
    ii. Changes, if any, in accounting policies and practices and reasons for the same;
    iii. Major accounting entries involving estimates based on the exercise of judgment by management;
    iv. Significant adjustments made in the financial statements arising out of audit findings;
    v. Compliance with listing and other legal requirements relating to financial statements;
    vi. Disclosure of any related party transactions;
    vii. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as may be referred to by the Board or mandated by regulatory provisions from time to time;
21. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.

Review of information by Audit Committee:

The Audit Committee shall mandatorily review the following information:

a. Management discussion and analysis of financial condition and results of operations;

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

c. Management letters/letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses;

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

f. Statement of deviations:

    i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

    ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Meetings and attendance:

During the financial year 2019-20, 6 (six) meetings of the Audit Committee were held on May 30, 2019; June 13, 2019; July 25, 2019; November 07, 2019; January 29, 2020 and March 04, 2020.

The attendance of Committee Members were as under:

Name of the Committee Members	Category	No. of Meetings	
		Held	Attended
Mr. Vijay Kumar Chopra	Non-Executive-Independent Director	6	5
Mr. Sandip Das	Non-Executive-Independent Director	4	4
Ms. Sonali Bhagwati Dalal	Non-Executive-Independent Director	6	6
Mr. Saurabh Mittal	Executive-Promoter Director	6	6

b) Nomination and Remuneration Committee

Composition:

As on March 31, 2020, the Nomination and Remuneration Committee of the Company comprises of 3 (three) directors.

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

Ms. Urvashi Saxena, Independent Director of the Company, resigned from the Board of the Company, w.e.f. April 01, 2019 and simultaneously she ceased to be a member of the Nomination and Remuneration Committee.

Ms. Sonali Bhagwati Dalal was appointed as a member of the Nomination and Remuneration Committee by the Board of Directors by passing a resolution through circulation on May 18, 2019.

The Board of Directors reconstituted the Nomination and Remuneration Committee w.e.f. June 13, 2019 wherein Mr. Sandip Das, Independent Director of the Company, was appointed as a member of the said Committee in place of Ms. Sonali Bhagwati Dalal. Further, he was designated as the Chairman of the Nomination and Remuneration Committee w.e.f. November 07, 2019.

Terms of Reference of the Nomination and Remuneration Committee:

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

1. To formulate criteria for:
   a. determining qualifications, positive attributes and independence of a director;
   b. evaluation of Independent Directors and the Board of Directors.
2. To devise the following policies on:
   a. remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the Board of the Company;
   b. board diversity laying out an optimum mix of executive, independent and non-independent directors keeping in mind the needs of the Company.
3. To identify persons who are qualified to:
   a. become Directors in accordance with the criteria laid down, and recommend to the Board the appointment and removal of Directors;
   b. be appointed in senior management in accordance with the policies of the Company and recommend their appointment and removal to the HR Department and to the Board.
4. To carry out evaluation of the performance of every Director of the Company;
5. To 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;
6. To express opinion to the Board that a Director possesses the requisite qualification(s) for the practice of the profession in case the services to be rendered by a director are of professional nature;
7. To 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.
8. To decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
9. To recommend to the board, all remuneration, in whatever form payable to the senior management.

Meetings and Attendance:

During the financial year 2019-20, 3 (three) meeting of Nomination and Remuneration Committee were held on May 30, 2019; June 13, 2019 and November 07, 2019 and the attendance of Members were as follows:

Name of the Committee Members	Category	No. of Meetings	
		Held	Attended
Mr. Sandip Das	Non-Executive-Independent Director	1	1
Mr. Shiv Prakash Mittal	Non-Executive-Promoter Director	3	0
Mr. Vijay Kumar Chopra	Non-Executive-Independent Director	3	3
Ms. Sonali Bhagwati Dalal	Non-Executive-Independent Director	2	2

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

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

Remuneration to Directors and Disclosures:

Summary of Remuneration Policy of the Company

The Board has adopted the Remuneration Policy on the recommendation of the Nomination and Remuneration Committee in compliance with Section 178 of the Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. This policy applies to all the "Executives" of the Company and is valid for all employment agreements entered into after the approval of the Policy and for changes made to existing employment agreements thereafter. In keeping with the provisions of Section 178, the remuneration structure of the Company comprises of fixed remuneration (including fixed supplements), performance-based remuneration (variable salary), pension scheme, where applicable, other benefits in kind and severance payment, where applicable. Further, the Policy states that the Non-Executive Directors and Independent Directors of the Company may receive remuneration only by way of fee and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission, as may be permissible by the applicable law. Additionally, the Policy also lays down the overall selection criteria for the executives of the Company which is based on broad heads such as competencies, capabilities, compatibility, strong interpersonal skills, commitment among others. The Policy also entitles executives to a severance fee. The Remuneration Policy of the Company has been disclosed on the website of the Company at https://www.greenlamindustries.com/pdf-file/Remuneration-Policy.pdf

Remuneration to Directors:

(i) Executive Directors

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

Name and Designation	Service Contract /Notice Period*	Salary (₹)	Commission (₹)	Provident Fund (₹)	Perquisites and other allowances (₹)
Mr. Saurabh Mittal (Managing Director & CEO)	Re-appointed as Managing Director & CEO for five years w.e.f. November 11, 2019	2,40,00,000.00	2,55,00,000.00	24,48,000.00	Nil
Ms. Parul Mittal (Whole-time Director)	Re-appointed as Whole-time Director for five years w.e.f. November 11, 2019	1,20,00,000.00	1,41,50,000.00	14,40,000.00	Nil

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

Note: Mr. Saurabh Mittal, Managing Director & CEO and Ms. Parul Mittal, Whole-time Director of the Company have volunteered to reduce their annual commission for the financial year 2019-20 to 2.25% and 1.25% respectively.

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

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

(ii) Non- Executive Directors

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

Name and Designation	Service Contract/Notice Period	Sitting Fees paid (₹)	Commission paid/ payable (₹)	Number of shares and convertible instruments held in the Company
Mr. Shiv Prakash Mittal	Retire by rotation	-	18,00,000.00	5,06,000 equity shares
Mr. Vijay Kumar Chopra	Re-appointed for 3 years as Independent Director at the 6th Annual General Meeting of the Company held on August 10, 2019	6,90,000.00	18,00,000.00	Nil
Mr. Sandip Das	Appointed for 5 years as Independent Director at the Board Meeting of the Company held on June 13, 2019	6,30,000.00	14,40,984.00	Nil
Ms. Sonali Bhagwati Dalal	Re-appointed for 1 year as Independent Director at the 6th Annual General Meeting of the Company held on August 10, 2019	8,30,000.00	18,00,000.00	Nil

No sitting fee is paid to the Executive Directors for attending the Board Meetings or Committee Meetings thereof. The necessary approvals are obtained from shareholders wherever required except for the payment of annual commission to Mr. Shiv Prakash Mittal and approval of shareholders for the same will be sought at the ensuing Annual General Meeting.

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

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

c) Stakeholders' Relationship Committee

Composition:

As on March 31, 2020 the Stakeholders' Relationship Committee of the Company comprises of 2 (two) promoter Directors and 1 (one) Independent Director of the Company.

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

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

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

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

   a. Transfer/transmission of shares,
   b. Non-receipt of annual reports,
   c. Non-receipt of declared dividend,
   d. Issue of new/duplicate certificates,
   e. General Meetings,
   f. All such complaints directly concerning the shareholders/investors as stakeholders of the Company; and
   g. Any such matters that may be considered necessary in relation to shareholders and investors of the Company.

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

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

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

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

vi. To review and 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;

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

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

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

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

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

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

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

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

The table below gives the number of complaints received, resolved and pending during the financial year 2019-20.

Number of complaints:

Received	Resolved	Pending
2	2	Nil

Meetings and Attendance:

During the financial year 2019-20, 1 (one) meeting was held on March 04, 2020 and the attendances of Committee Members were as follows:

Name of the Committee Members	Category	No. of Meetings	
		Held	Attended
Mr. Shiv Prakash Mittal	Non-Executive-Promoter Director	1	0
Mr. Saurabh Mittal	Executive-Promoter Director	1	1
Ms. Sonali Bhagwati Dalal	Non-Executive-Independent Director	1	1

d) Corporate Social Responsibility Committee

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

Composition of the Committee:

As on March 31, 2020, the Corporate Social Responsibility Committee of the Company comprises of 4 (four) Directors.

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

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

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

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

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

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

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

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

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

Meetings and Attendance:

1 (One) meeting was held on May 30, 2019 and the attendance of Committee Members were as follows:

Name of the Committee Members	Category	No. of Meetings	
		Held	Attended
Mr. Saurabh Mittal	Executive-Promoter Director	1	1
Mr. Shiv Prakash Mittal	Non-Executive-Promoter Director	1	0
Ms. Parul Mittal	Executive-Promoter Director	1	1
Ms. Sonali Bhagwati Dalal	Non-Executive-Independent Director	1	1

e) Operational & Finance Committee

As on March 31, 2020 the Operational & Finance Committee of the Company comprises of 3 (three) Directors.

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

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

During the financial year 2019-20, 7 (Seven) meetings of the Operational & Finance Committee were held on May 31, 2019; August 05, 2019; August 16, 2019; December 16, 2019; January 14, 2020; February 14, 2020 and March 20, 2020.

5) Subsidiaries

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

6) General Body Meetings

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

Financial Year	Date of AGM	Venue	Time
2018-19	August 10, 2019 [6th AGM]	Registered Office at Makum Road, Tinsukia, Assam-786125	9:15 A.M.
2017-18	August 28, 2018 [5th AGM]	Registered Office at Makum Road, Tinsukia, Assam-786125	10:15 A.M.
2016-17	August 21, 2017 [4th AGM]	Registered Office at Makum Road, Tinsukia, Assam-786125	10:15 A.M.

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

AGM No.	AGM Date	Details of Special Resolutions passed
6th	August 10, 2019	i) Re-appointment of Mr. Saurabh Mittal as Managing Director & CEO of the Company. ii) Re-appointment of Ms. Parul Mittal as Whole-time Director of the Company. iii) Re-appointment of Mr. Vijay Kumar Chopra as an Independent Director of the Company. iv) Re-appointment of Ms. Sonali Bhagwati Dalal as an Independent Director of the Company.
5th	August 28, 2018	i) To alter the Memorandum of Association of the Company. ii) To approve the payment of remuneration (including any fees or compensation payable) to all the Executive Promoter Directors of the Company as per their existing terms of appointment, notwithstanding their aggregate annual remuneration exceeds 5 percent of the net profits of the Company.
4th	August 21, 2017	Nil

iii. The Details of Special Resolutions passed through postal ballot during the financial year 2019-20: During the financial year 2019-20, no Resolution was passed through postal ballot.

iv. Person who conducted the Postal Ballot: Not Applicable

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

vi. Procedure for Postal ballot: Not Applicable.

7) Means of communication

The quarterly/half-yearly/annual financial results of the Company (standalone and consolidated) are sent to Stock Exchanges where the securities of the Company are listed, immediately after they are approved by the Board of Directors. These are also published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board of Directors in which they are approved, in English newspaper circulating the whole or substantially the whole of India and in one vernacular newspaper of the state where the registered office of the Company is situated. In addition, these results are simultaneously posted on the Company's website. The official press releases and/or presentation made to institutional investors or to the analysts are also available on the Company's website.

Details about the means of communication:

Recommendation	Compliance
Quarterly/Half yearly/Annual results	Published in leading newspapers
Newspapers wherein results are normally published	Dainandin Barta (Assamese Daily), Economic Times, Business Standard, Mint, Business Line and Financial Express (English Daily)
Any website, where displayed	www.greenlamindustries.com
Whether it also displays official news releases and presentation made to institutional investors or to the analysts.	Yes

8) General shareholders' information

i.	Date, time and venue of the Annual General Meeting	On Friday, August 28, 2020 at 11.00 a.m. through Video Conferencing/ Other Audio Visual Means
ii.	Financial Year	Financial year of the Company is from April 01 to March 31.
iii.	Publication of results for the financial year 2020-21 (tentative and subject to change)	a) **First quarter results:** On or before August 14, 2020. b) **Second quarter and half year results:** On or before November 14, 2020. c) **Third quarter results:** On or before February 14, 2021. d) **Fourth quarter results and results for the year ending March 31, 2021:** On or before May 30, 2021.
iv.	Dividend payment date	The Board of Directors of the Company at its meeting held on March 04, 2020 has approved the payment of interim dividend @80% per equity share of face value of ₹5/- each i.e. ₹4 each per equity share for the financial year 2019-20. Shareholders whose name appeared in the Register of Members (both demat and physical shareholders) as on the close of business hours on the record date of March 18, 2020 were entitled for said dividend. The dividend payment was scheduled to be completed on or before March 30, 2020. The payment of the dividend through electronic mode was completed as scheduled. Due to lock-down/ movement restrictions imposed by the government on account of Covid-19 outbreak the dispatch of physical instruments got delayed and subsequently the same have been dispatched.
v.	Listing of Equity Shares at Stock Exchanges	BSE Ltd. ("BSE") Floor 25, P. J. Towers, Dalal Street, Fort, Mumbai-400001 National Stock Exchange of India Ltd.("NSE") Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051
vi.	Payment of Listing Fees	Annual Listing Fees for both the stock exchanges for the financial year 2020-21 has been duly paid by the Company.
vii.	Stock Code/Symbol	BSE Scrip Code: 538979 NSE Symbol: GREENLAM

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

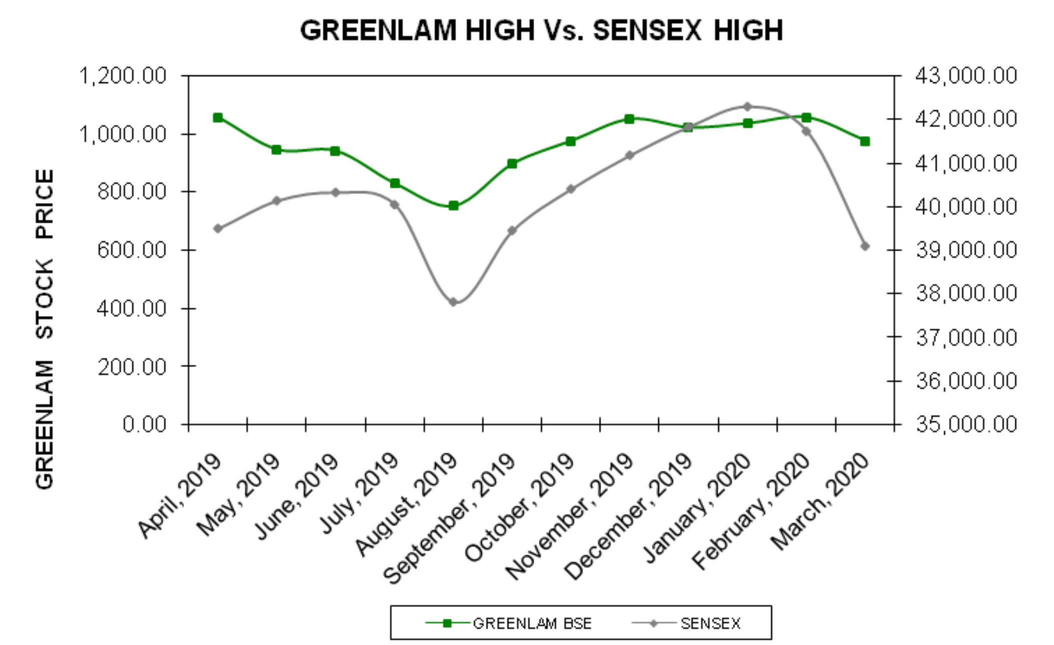
Amount in (₹)

Month	At BSE		At NSE	
	High	Low	High	Low
April, 2019	1,054.90	892.05	1,034.10	892.30
May, 2019	945.00	783.05	945.60	780.00
June, 2019	940.00	713.15	899.00	722.00
July, 2019	828.85	659.70	814.00	667.05
August, 2019	752.10	645.70	799.00	655.65
September, 2019	896.75	690.00	899.00	704.00
October, 2019	975.00	821.15	967.15	820.00
November, 2019	1,049.00	889.45	1,049.00	881.50
December, 2019	1,020.60	886.35	1,032.00	880.05
January, 2020	1,034.60	899.00	1,045.40	890.05
February, 2020	1,054.95	888.05	1,040.00	888.70
March, 2020	975.00	450.00	982.00	441.90

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

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

Greenlam Industries Limited share performance:



xi. Suspension of Securities during the financial year 2019-20:

During the financial year 2019-20, the securities of the Company were not suspended from trading.

Registrar & Share Transfer Agent ("R&T Agent")	LINK INTIME INDIA PRIVATE LIMITED Contact: Mr. Bharat Bhushan Address: Noble Heights, 1st Floor, Plot NH 2 C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 Phone No.: +91-11-41410592 Fax No.: +91-11-41410591 Email: delhi@linkintime.co.in
Share Transfer System	The Company has a Committee of the Board of Directors called Stakeholders' Relationship Committee, which meets as and when required. SEBI has mandated that, effective April 01, 2019, no share can be transferred in physical mode, except in case of request received for transposition or transmission of securities. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialise their holding in the Company. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. The Compliance Certificate pursuant to Regulation 40(9) of the SEBI Listing Regulations for the half year ending September 30, 2019 and March 31, 2020 issued by Mr. Pramod Kumar Pal, Practicing Company Secretary, have been duly submitted to stock exchanges, where the securities of the Company are listed.

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

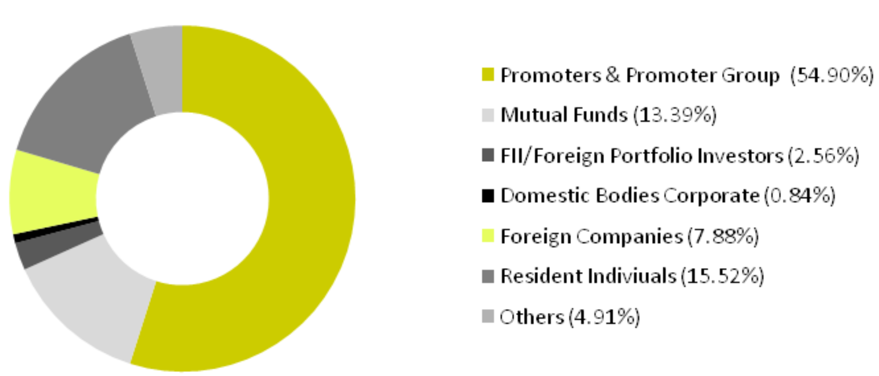
Distribution of shareholding by size is as given below:

Range in number of shares held	Number of shareholders	Percentage of shareholders (%)	Number of shares held	Percentage of shares held (%)
1-500	5,633	93.73	4,94,812	2.05
501-1,000	174	2.89	1,23,873	0.51
1,001-2,000	84	1.40	1,19,824	0.50
2,001-3,000	37	0.62	91,054	0.38
3,001-4,000	12	0.20	41,812	0.17
4,001-5,000	8	0.13	36,992	0.15
5,001-10,000	20	0.33	1,44,585	0.60
10,001 and above	42	0.70	2,30,83,422	95.64
Total	6,010	100.00	2,41,36,374	100.00

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

xiii. Distribution of category wise shareholding as on March 31, 2020 is as given below:

Category of Shareholders	Number of shares	Percentage of shares (%)
Promoters and Promoter Group	1,32,50,025	54.90
Mutual Funds	32,30,767	13.39
FII/Foreign Portfolio Investors	6,18,687	2.56
Domestic Bodies Corporate	2,03,806	0.84
Foreign Companies	19,01,342	7.88
Resident Individuals	37,46,767	15.52
Others	11,84,980	4.91
Total	2,41,36,374	100.00



Dematerialisation of shares and liquidity	The Company's equity shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE544R01013. Nearly 99.94% of total listed equity shares have been dematerialised as on March 31, 2020.

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

xv. **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:** The Company has significant foreign exchange exposure towards imports, exports, foreign currency assets and liabilities. With respect to managing the foreign exchange risks, the Company hedges the net outstanding of foreign currency exposures on fortnightly basis thereby mitigating the foreign exchange risk. The unhedged foreign currency exposure has a natural hedge thereby eliminating majority of foreign exchange risk. Commodity pricing does not have direct bearing but has an indirect bearing on the Company since, some of the Company's chemical consumption is linked to crude prices. The Company maintains a policy of hedging its 60-90 days of consumption by doing forward buying.

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

xvii. **Plant locations:**

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

xviii. **Address for correspondence:**

Registrar: **Link Intime India Private Limited** Contact: **Mr. Bharat Bhushan** Noble Heights, 1st Floor, Plot NH 2 C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 Phone No.: +91-11-41410592 Fax No.: +91-11-41410591 Email: delhi@linkintime.co.in	Company: **Greenlam Industries Limited** Contact: **Mr. Prakash Kumar Biswal,** Company Secretary & Vice President - Legal 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport Hospitality District, New Delhi-110037 Phone No.: +91-11-42791399 Fax No.: +91-11-42791330 Email: investor.relations@greenlam.com

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

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

xx. **Unclaimed Equity Dividend:**

Dividends that are not encashed or claimed, within seven years from the date of its transfer to the unpaid dividend account will, in terms of the provisions of Section125 the Act, 2013, be transferred to the Investor Education and Protection Fund (IEPF) established by the Government. The details of unclaimed dividend as on March 31, 2020 are as follows:

Sl. No.	Financial Year	Date of Declaration	Dividend per share (₹)	Date of transfer to Unpaid Dividend Account	Amount outstanding as on 31.03.2020 (₹)	Due date for transfer to IEPF
1.	2019-20	04.03.2020	4.00	09.04.2020	5,24,492.00	09.04.2027
2.	2018-19	10.08.2019	3.00	12.09.2019	71,673.00	12.09.2026
3.	2017-18	28.08.2018	2.50	04.10.2018	49,335.00	04.10.2025
4.	2016-17	21.08.2017	1.50	27.09.2017	29,569.50	27.09.2024
5.	2015-16	24.08.2016	1.00	30.09.2016	25,732.00	30.09.2023
6.	2014-15	24.08.2015	0.50	30.09.2015	12,415.00	30.09.2022

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

9) Other Disclosures

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

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

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

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

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

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

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

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

Commodity pricing does not have direct bearing but has an indirect bearing on the Company since some of our chemical consumption is linked to crude prices. The Company maintains a policy of hedging its 60-90 days of consumption by doing forward buying.

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

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

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

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

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

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

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

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

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

n) 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".

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

p) During the financial year 2019-20 total fees for all services paid/payable 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 (in ₹)
Statutory Audit Fees	23,00,000.00
Limited Review Fees	2,75,000.00
Fees for other statutory certifications	55,000.00
Reimbursement of Expenses	68,355.00

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

The Company is committed to provide an attractive working environment for its employees and to provide safe and healthy working conditions. The Company has also adopted a 'Anti-Sexual Harassment Policy' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment, in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules made thereunder. Details of Complaints received and redressed during the Financial Year 2019-20:

a. number of complaints received during the financial year: None

b. number of complaints disposed of during the financial year: None

c. number of complaints pending as on end of the financial year: None

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

11) Compliance Certificate of the Auditors

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

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

(a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: 9,071 equity share of 66 shareholders

(b) Number of shareholders who approached the Company for transfer of shares from suspense account during the year: None

(c) Number of shareholders to whom shares were transferred from suspense account during the year: None

(d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: 9,071 equity shares of 66 shareholders

(e) Aggregate number of shares on which voting rights shall remain frozen till the rightful owner of such shares claims the shares: 9,071 equity shares.

For and on behalf of the Board of Directors

Place: New Delhi
Date: June 19, 2020

Saurabh Mittal
Managing Director & CEO
[DIN: 00273917]

Parul Mittal
Whole-time Director
[DIN: 00348783]

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,
Greenlam Industries Ltd.

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

Saurabh Mittal
Managing Director & CEO
[DIN: 00273917]

Place: New Delhi
Dated: June 19, 2020

Annexure-B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Greenlam Industries Limited and having CIN L21016AS2013PLC011624 and having Registered office Makum Road, Tinsukia, Assam 786125 (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 and 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 & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Shiv Prakash Mittal	00237242	12.08.2013
2.	Mr. Saurabh Mittal	00273917	12.08.2013
3.	Mr. Parul Mittal	00348783	11.11.2014
4.	Mr. Sonali Bhagwati Dalal	01105028	30.10.2014
5.	Mr. Vijay Kumar Chopra	02103940	30.10.2014
6.	Mr. Sandip Das	00116303	13.06.2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS No.: 1644
Certificate of Practice No.: 715
UDIN: F001644B000355041

Date: June 19, 2020
Place: Delhi

Annexure-C

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members,
Greenlam Industries Ltd.
Makum Road, Tinsukia,
Assam 786125

We have examined all relevant records of Greenlam Industries Limited ("the Company") for the purpose of certifying of all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2020. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. 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.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Chandrasekaran Associates**
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS No.: 1644
Certificate of Practice No.: 715
UDIN: F001644B000355481

Date: June 19, 2020
Place: Delhi

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 Board of Directors,
Greenlam Industries Ltd.

(a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended on March 31, 2020 and that to the best of our knowledge and belief:
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

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

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

(d) We have indicated to the Auditors and the Audit Committee that there are no:
   i. Significant changes in internal control over financial reporting during the year;
   ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
   iii. Instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Saurabh Mittal
Managing Director & CEO
[DIN: 00273917]

Ashok Kumar Sharma
Chief Financial Officer

Place: New Delhi
Dated: June 19, 2020

Business Responsibility Report

FOR THE FINANCIAL YEAR 2019-20

[Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

INTRODUCTION

Greenlam Industries Limited has been beautifying spaces for years by infusing creativity into every piece of work and turning them into sheer pieces of beauty and brilliance. A name to be reckoned with in the sector of surfacing products in 100+ countries, Greenlam Industries Limited is standing tall with its guiding philosophies - innovative technologies and creative solutions.

With over twenty-five years of experience in the surface décor space, Greenlam has been the pioneer in introducing the international décor trend, in India and in the international markets.

GENERAL INFORMATION ABOUT THE COMPANY:

1. **Corporate Identity Number (CIN) of the Company:** L21016AS2013PLC011624
2. **Name of the Company:** Greenlam Industries Limited
3. **Registered Office Address:** Makum Road, Tinsukia, Assam-786 125
4. **Website:** www.greenlamindustries.com
5. **E-mail id:** investor.relations@greenlam.com
6. **Financial Year reported:** 1st April, 2019 to 31st March, 2020
7. **Sectors that the Company is engaged in (as per the NIC code):**

Particulars	NIC Code (2008) of the product/ service
Manufacturer of Laminates & Allied Products	16219
Manufacturer of Decorative Veneer & Allied Products	16211

8. **Three key products that the Company manufactures:**
   a. Laminates & Allied Products
   b. Decorative Veneers
   c. Engineered Wooden Floors & Door sets
9. **Number of national locations where business activity is undertaken by the Company.**

   The Company's manufacturing units are situated at Behror, Rajasthan and Nalagarh, Himachal Pradesh.

   The Company has 9 large regional distribution centers, 21 branch offices, 5 warehouses situated across India and one experience center situated in Kolkata, West Bengal and 14,000+ distributors, dealers and retailers, which is the largest in the industry. The Company's Registered Office is situated at Makum Road, Tinsukia, Assam - 786125 and its Corporate Office is situated at 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport Hospitality District, New Delhi - 110037.

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

Please refer the following table:

Sl. No.	Name of the Joint Venture (JV) / Wholly Owned Subsidiary (WOS)	Business activities
1.	Greenlam Asia Pacific Pte. Ltd., Singapore	This subsidiary is engaged in the business of trading of high-pressure decorative laminates and allied products.
2.	Greenlam America, Inc., USA	This subsidiary is engaged in the marketing and distribution of high-pressure laminates in North America and South America.
3.	Greenlam Europe (UK) Ltd., UK	This subsidiary is engaged in the business of marketing and distribution of high-pressure laminates and allied products, engineered wooden flooring and engineered wooden door sets in the United Kingdom.
4.	Greenlam Asia Pacific (Thailand) Co., Ltd., Thailand	This subsidiary is engaged in the business of marketing and distribution of high-pressure laminates in Thailand.
5.	Greenlam Holding Co., Ltd., Thailand	This subsidiary is engaged in the business of marketing and distribution of high-pressure laminates in Thailand.
6.	PT Greenlam Asia Pacific, Indonesia	This subsidiary is engaged in the manufacture of promotional material i.e. catalogues, sample folders, chain sets, wall hooks and A4 size samples.
7.	Greenlam Decolan SA	This subsidiary is a wholesale trader, importer and exporter of decorative surfaces solutions and products such as High Pressure Laminates, Compact panels and allied products.
8.	Greenlam South Limited	This subsidiary has not yet commenced its operations. The said subsidiary has been incorporated to explore opportunities by way of greenfield project for manufacturing, sales and marketing of laminate and wood based products.

11. **Markets served by the Company**

    a. **Domestic Sales:**

    Pan-India Branches - 21
    Regional Distribution Center - 9
    Warehouses - 5
    Experience Center - 1
    Distributors, Dealers and Retailers - 14000+

    b. **Exports:**

    The Company exports to nearly 100 countries worldwide either directly or through its overseas subsidiaries including Singapore, Thailand, Malaysia, Indonesia, South Korea, Philippines, Hong Kong, UAE, Saudi Arabia, Qatar, USA, Canada, Columbia, Mexico, UK, Spain, Sweden, Germany, Switzerland, Italy, Russia, Ukraine, Sri Lanka, Bangladesh, Nepal, Bhutan, Myanmar, Vietnam, South Africa, Egypt, Ghana, Kenya, New Zealand and Australia.

FINANCIAL DETAILS OF THE COMPANY:

1. **Paid-up capital (₹ in lakh):** 1206.82
2. **Total Turnover (₹ in lakh):** 1,22,722.18
3. **Total profit after taxes (₹ in lakh):** 9,262.73
4. **Total spending on CSR activities undertaken by the Company as percentage of profit after tax (%):** 1.81%
5. **List of activities involving CSR Expenditure:**

Please refer to the Report on the CSR activities forming part of the Annual Report for the financial year 2019-20.

OTHER DETAILS:

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

   There is no group. As regards JV and subsidiaries, please refer the above table mentioned in the general information about the Company.
2. **Details of business of the subsidiaries/JV**

   Please refer the above table mentioned in the general information about the Company.
3. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary companies:**

   No participation from Subsidiary Companies.
4. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   No participation from other entity.

BR INFORMATION:

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

   a. Details of Director responsible for implementation of the BR policy:
      i) DIN: 00273917
      ii) Name: Mr. Saurabh Mittal
      iii) Designation: Managing Director & CEO

   b. Details of the BR Head:
      i) DIN: 08586538
      ii) Name: Ashok Kumar Sharma
      iii) Designation: Chief Financial Officer
      iv) Telephone number: +91-11-42791399
      v) E-mail id: ashok.sharma@greenlam.com
2. **Principle-wise (as per National Voluntary Guidelines) BR Policy/ policies:**
   - Principle 1: Businesses should conduct and govern themselves with ethics, transparency and accountability [P1]

- Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle [P2]
- Principle 3: Businesses should promote the well being of all employees [P3]
- Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. [P4]
- Principle 5: Businesses should respect and promote human rights [P5]
- Principle 6: Business should respect, protect, and make efforts to restore the environment [P6]
- Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner [P7]
- Principle 8: Businesses should support inclusive growth and equitable development [P8]
- Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner [P9]

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

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for the various principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the Management of the Company and is approved by the Board of Directors. The policies have been framed considering the best interest of the stakeholders.								
3.	Does the policy conform to any national/ international standards? If yes, specify?	Yes, the policies are based on 'National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business'								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Yes, the Policies have been approved by the Board of Directors and signed by the Managing Director & CEO on behalf of the Board of Directors of the Company.								
5.	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Yes, the Company's Official(s) are authorised to oversee the implementation of the Policy.								
6.	Indicate the link for the policy to be viewed online?	https://www.greenlamindustries.com/pdf-file/business-responsibility-policy.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been posted on the Company's website and communicated to all internal stakeholders.								
8.	Does the company have in-house structure to implement policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company intends to do the same in due course.								

3. Governance related to BR:

a. **Frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company:**

The Management of the Company assesses the BR performance during the last quarter of the financial year.

b. **Does the Company publish a BR Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company has published its last Business Responsibility Report which forms part of the Company's Annual Report for the financial year 2018-19. The same can be accessed at: https://www.greenlamindustries.com/investor/financials/annual-report.html

The BR Report for the financial year 2019-20 will be published as and when the same would be disclosed to stock exchanges pursuant to the requirement under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

PRINCIPLE-WISE PERFORMANCE:

PRINCIPLE-1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

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

The Company has a policy on the Code of Business Conduct and Ethics (COBEC), which applies to all the employees of the Company and its subsidiaries. It also extends to contractual and part-time employees, interns and apprentices.

Further, employees who are directly dealing with third parties, vendors, suppliers and distributors on behalf of the Company, have the obligation to provide relevant information to these third parties to ensure that they comply with the applicable policies and sections of the COBEC.

2. Does the policy stated above extend to the Joint Ventures/ suppliers/ contractors/ NGOs/ others?

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

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

There was neither any complaint pending as on April 01, 2020 nor any such complaint was received during the financial year 2019-20.

PRINCIPLE-2: SAFETY AND SUSTAINABILITY OF GOODS

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

a) **High Pressure Decorative Laminates** - This Product is made available in different sizes and meets the Greenguard Gold Emission norms as it has low Volatile Organic Compounds that ensures maintaining the indoor air quality and is safe for consumers. Greenlam's anti-bacterial laminates are highly effective in retarding the growth of common and rampant bacteria up to 99.99%, keeping spaces hygienic, germ-free and devoid of unhealthy contaminants.

b) **Engineered Wooden Door sets**- This product design aims at minimal use of wood while matching the look, feel and durability of real wooden doors and frames.

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

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

a) **High Pressure Decorative Laminates** - Reduction in utilization of resources required in the manufacturing process due to economy of scale are mentioned below:

i) Reduction in water consumption is 3000 KL per annum since last year.

ii) Reduction in consumption cost of Electric Power is ₹106 lakh per annum by installation of LED lights and VFDs on heavy duty motors.

b) **Engineered Wooden Door sets** - This product was designed, aiming at minimal use of wood since inception. Hence, reduction in resources used in comparison to previous year is not relevant in this context.

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

a) High Pressure Decorative Laminates - Not Applicable

b) Engineered Wooden Door sets - Not Applicable

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

The Company has a well established system of sustainable sourcing of inputs including transportation. The Company has been able to maintain a very good relationship with its suppliers and most of them have been associated with the Company for a long time. The Company encourages a practice of purchasing FSC marked papers which are used in the manufacturing of its products and also the emission levels of volatile chemicals in laminates manufactured by the Company is less than 0.1 parts per million. The Company always strives to focus on alternative and environment friendly sourcing of its inputs. The Company always places orders with its suppliers well in advance to ensure timely receipt of raw materials. Further, the Company has a long-term arrangement with all the transporters directly engaged by it.

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

The Company is procuring goods and services from 200+Micro, Small and Medium Enterprises (MSME) suppliers on regular basis.

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

The Company periodically checks the capabilities of suppliers and suggests them the ways to increase their productivity as well as efficiency which ultimately helps in increasing their competitiveness, scale of business and profitability.

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

The waste water generated during the manufacturing process is treated in Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) and then are used in gardening and in toilets for flushing. Further, the Company also re-uses the wood waste and gardening waste generated in plants as fuel in boiler/ thermic fluid heater.

7. What is the quantity / percentage of such recycling?

Nearly 100% of the waste water is treated and reused as mentioned in point 6 above.

PRINCIPLE-3: WELL BEING OF ALL EMPLOYEES

1. Human Resource

Kind of Human Resource	Total number in the Company
Permanent Employees	1944
Hired Employee: • Temporary • Contractual • Casual	 51 2525 -
Permanent women employees	77
Permanent employees with disabilities	-
Child Labour	-

2. Do you have an employee association that is recognized by the Management?

There is no employee association that is recognized by the Management.

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

Not Applicable.

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

a. Child Labour: Nil

b. Forced Labour: Nil

c. Involuntary Labour: Nil

d. Discriminatory Employment: Nil

e. Sexual Harassment complaints pending: Nil

The Company has Policy on Prevention of Sexual Harassment.

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

a. Permanent Employees: 26% (skill upgradation)

b. Permanent Women Employees: 62% (skill upgradation)

c. Casual/Temporary/Contractual Employees: 100% (safety, fire-fighting and other basic operational training)

d. Employees with Disabilities: Not applicable

PRINCIPLE-4: PROTECTION OF STAKEHOLDERS' INTEREST

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

Yes.

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

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

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

The Company has engagement for promoting education, health care and gender equality and empowering women near its units at Behror, Rajasthan and at Nalagarh, Himachal Pradesh and also support for education and overall development of young, orphan and neglected girls at Greenlam Udayan Ghar in Ghaziabad.

PRINCIPLE-5: RESPECTING AND PROMOTING HUMAN RIGHTS

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

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

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

Greenlam's Human Rights policy applies to all Greenlam Employees worldwide, anyone conducting business for or with Greenlam and others acting on behalf of Greenlam. This applies to all location where Greenlam conducts business and to all company-sponsored events.

No complaint was pending in the past and further, no complaint was received pertaining to human rights violation during the financial year 2019-20.

PRINCIPLE-6: RESPECTING, PROTECTING AND RESTORING THE ENVIRONMENT

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

The Company follows its policy on Environment Protection which is applicable to all its business places. The subsidiaries follow the environmental norms as applicable to them in line with the local requirements prevailing in the country of operation.

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

The following are the initiatives taken by the Company to address global environmental issues:

a. Installation of biofuel (husk) fire thermic fluid heater in place of coal fire thermic fluid heater in one of the plants, which reduces the use of coal and minimizes generation of harmful gases viz. Carbon dioxide and Sulphur dioxide and thus reduces global warming.

b. Initiated installation of hot water generators for operation of presses that will result in reduction in water consumption and ground water extraction.

c. Installation of Variable Frequency Drives (VFDs) at 45kW compressors has reduced energy consumption.

d. Installation of wet scrubber at boilers and hot water chimneys resulted in cleaner air around the plant.

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

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

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

There is no Clean Development Mechanism (CDM) program taken up by Greenlam.

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

The efforts of the Company are aimed to minimize the energy consumption. The following practices are focused at reducing global warming:

a) Clean Technology:

Installation of biofuel (husk) fire thermic fluid heater in place of coal fire thermic fluid heater, which reduces the use of coal and minimizes the generation of harmful gases viz. Carbon dioxide and Sulphur dioxide.

b) Energy Efficiency:

Auto CMD Controller of 11000V installed in the Staff Colony, which controls the voltage fluctuation and power factor. It contributes to the annual power saving of 28000 KWH approximately.

c) Renewable Energy:

- Initiated installation of resource efficient hot water generator on two press lines.
- Re-treatment of RO reject water of 3000KL per annum.

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

Yes, the emissions/waste generated by the Company for financial year 2019-20 are within permissible limits given by CPCB/SPCB(s) of the respective units.

The manufacturing locations of the Company have obtained the respective state government consents to operate. The emissions of air, water and solids are covered in this consent. Necessary authorizations have also been obtained for storage, transportation and disposal of hazardous wastes at recognized landfills of Pollution Control Boards. The Company also carries out third party evaluation of the environmental parameters on periodic intervals. The company takes necessary steps to mitigate environment related aspects by a structured program.

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

As on 31 March, 2020, no show cause notice or legal notice received from CPCB/SPCB are pending.

PRINCIPLE-7: RESPONSIBILITY TOWARDS PUBLIC AND REGULATORY POLICY

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

The Company is the member of Indian Laminate Manufacturers Association (ILMA) and The Plastics Export Promotion Council (PLEXCONCIL).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: governance and administration, economic reforms, inclusive development policies, energy, security, water, food security, Sustainable Business Principles, others)?

No. However, the Company intends to utilize the opportunities available in future for the advancement or improvement of public good.

PRINCIPLE-8: INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

The Company undertakes the initiatives through the Corporate Social Responsibility (CSR) Committee of the Board as per the CSR Policy of the Company. For details of initiatives taken up by the Company during the financial year 2019-20, please refer to the Report on the CSR activities forming part of the Annual Report for the financial year 2019-20.

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

The CSR projects have been carried out by the Company through various implementing agencies. For the details of all the implementing agencies engaged by the Company for its CSR initiatives, please refer to the Report on the CSR activities forming part of the Annual Report for the financial year 2019-20.

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

The Company has engaged a third party to advise on the CSR activities carried out by the Company as well as to monitor and evaluate their social impact. The CSR Committee also reviews the impact of the initiatives periodically.

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

Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2019-20 containing the details on CSR spending.

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

CSR initiatives are designed and delivered in a transparent manner in line with inputs from various stakeholders.

PRINCIPLE-9: ENGAGING AND ENRICHING CUSTOMER VALUE

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

The Company has provided a Customer Support and Redressal Portal where its customer can lodge complaints. As on March 31, 2020, 14.19% of the customer complaints (relating to product quality) were pending for action.

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

Yes, in respect of sale of products through packaging only. We are also providing relevant information about the products on the face of it as per the local laws. Further, each product also carries an additional information on handling and fabrication apart from mandatory label and traceability is also ensured through a bar code.

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

No.

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

Yes.

For and on behalf of the Board of Directors

	Saurabh Mittal	Parul Mittal
Place: New Delhi	*Managing Director & CEO*	*Whole-time Director*
Date: June 19, 2020	[DIN: 00273917]	[DIN: 00348783]

Independent Auditors' Report

To
The Members
Greenlam Industries Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Greenlam Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note no. 46 on the statement which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Due to Covid-19 related lock-down restrictions imposed by the Govt., physical verification of inventory at plant was carried out by the management of the Company near to year-end. Our attendance at the physical Inventory verification done by the management was impracticable under such lock-down restrictions imposed by the Government. Consequently, we have performed alternative audit procedures to obtain comfort over the existence and condition of inventory at the year-end as per the guidance provided by SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient audit evidence.

Our opinion is not modified in respect of the 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 of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Recognition of Revenue The Company recognizes revenue at the point in time when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. In determining the transaction price for the sale, the Company considers the effects of variable consideration and consideration receivable from the customer. For the year ended March 31, 2020, the Company's Statement of Profit & Loss included Sales of ₹117719.01 lakh. Some terms of sales arrangements are governed by Incoterms, including the timing of transfer of control. The nature of rebates, discounts and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognized in the correct period or that revenue and associated profit is misstated. Refer to Accounting policies Note 1.09 and Note No. 24 of the standalone Financial Statements.	Principal Audit Procedures • We performed process walkthrough to understand the adequacy and the design of the revenue cycle. We tested internal controls in the revenue and trade receivables over the accuracy and timing of revenue accounted in the financial statements. • Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company. • We reviewed the revenue recognition policy applied by the Company to ensure its compliance with Ind-AS 115 requirements. • We checked the contracts of customers along with revenue recognition policy applied by the Company to ensure satisfaction of performance obligation upon transfer of control of products to customer at a point in time. Our checking procedure includes consideration of the accounting and presentation of the rebates and discount arrangements. • In addition to substantive analytical reviews performed to understand how the revenue has trended over the year, we performed a detailed testing on transactions around the year-end, ensuring revenues were recognised in the correct accounting period. We also tested journal entries recognised to revenue focusing on unusual or irregular transactions. • We validated the appropriateness and completeness of the related disclosures in Note No. 24 of the Standalone financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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 during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance 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 loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the

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

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

The Board of Directors are 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Other Matters

The comparative financial information for the year ended 31st March 2019 were audited by predecessor auditor, whose report dated May 30, 2019 expressed an unmodified opinion on those audited standalone financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, 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 purpose of our audit.

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

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and Statement of Change in Equity dealt with by this report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rule issued thereunder.

   (e) On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of sub-section 2 of section 164 of the Act.

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

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

   (g) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". and

   (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, 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 no. 35 to the standalone financial statements.

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

   iii. There has been no delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration Number: 000756N

NAVEEN AGGARWAL
Partner
Place: New Delhi — Membership Number: 094380
Date: June 19, 2020 — UDIN 20094380AAAADM9308

"Annexure A" to the Independent Auditors' Report

The Annexure **as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements** of our Independent Auditors' Report to the members of Greenlam Industries Limited on the standalone financial statements for the year ended March 31, 2020, we report that:

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

(b) Fixed assets have been physically verified by the management during the year based on the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us no material discrepancies were noticed on such verification.

(c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company except One Office Premises of Gross Block Value of ₹286.98 lakh and Net Block Value as on 31.03.2020 of ₹216.64 lakh (Previous Year ₹221.14 lakh) is yet to be transferred in the name of the Company pursuant to Scheme of Arrangements

ii. We have been explained by the management that the inventory (except stock lying with the third parties and in transit, for which confirmations have been received/ material received) has been physically verified at reasonable intervals and the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the Company and nature of its business. However, due to Covid-19 related lock-down restrictions imposed by the government, our attendance at the physical Inventory verification done by the management near to year end, was impracticable considering such lock-down restrictions. Consequently, we have performed alternative audit procedures to obtain comfort over the existence and condition of inventory at the year-end as per the guidance provided by SA 501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence. As far as we could ascertain and accordingly to the information and explanations given to us, no material discrepancies were noticed between the physical stock and book records.

iii. The Company has granted unsecured loans, to a company covered in the register maintained under Section 189 of the Act, except this Company has not granted any other loans, secured or unsecured, to firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.

a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

b) The company has stipulated schedule of repayment of principal and payment of interest. Repayment of the principal amount and receipt of interest are not due at balance sheet date.

c) There is no overdue amount in respect of principal and interest.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 with respect to the loans, investments, guarantees and security provided.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under.

vi. The Central Government has not prescribed the maintenance of cost records for any of the products of the company under sub-section (1) of section 148 the Act and the rules framed there under.

vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Service Tax, custom duty, Cess and other material statutory dues with the appropriate authorities to the extent applicable and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2020.

(b) According to the records of the company, the dues outstanding of income-tax, sales-tax, service tax, custom duty, excise duty, value added tax and cess, goods and services tax on account of any dispute, are as per of the statement of disputed dues as under:

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

The disputed cases, where the amount has been paid in full but under protest, are not included in the above table.

viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to any banks or Financial Institutions. Further, the Company did not have any outstanding loans or borrowings from government or dues to debenture holder during the year

ix. According to the information and explanation given to us, the company has not raised moneys by way of initial public offer (IPO) or further public offer (including debt instruments) during the year. The term loans have been applied for the purposes for which they were raised.

x. On the basis of information and explanations provided to us by the management and based on the audit procedures performed by us, management has noticed and reported to us that two employees of the company had misappropriated the inventory amounting involved in such misappropriation was ₹29.24 lakh (Including GST input Credit of ₹6.08 lakh) during the year. Except this no other instance of fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with provision of section 177 & 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration Number: 000756N

NAVEEN AGGARWAL
Partner
Membership Number: 094380
UDIN 20094380AAAADM9308

Place: New Delhi
Date: June 19, 2020

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Greenlam Industries Limited.

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

We have audited the internal financial controls with reference to financial statements reporting of **Greenlam Industries limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statement based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statement 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 with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statement

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

Inherent Limitations of Internal Financial Controls with reference to financial statement

Because of the inherent limitations of internal financial controls with reference to financial statement, 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 with reference to financial statement to future periods are subject to the risk that the internal financial control with reference to financial statement 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 with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at March 31, 2020, based on the internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statement issued by the Institute of Chartered Accountants of India.

For S S KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm Registration Number: 000756N

NAVEEN AGGARWAL
Partner
Membership Number: 094380
UDIN 20094380AAAADM9308

Place: New Delhi
Date: June 19, 2020

Standalone Balance Sheet as at 31st March, 2020

₹ in lakh

	Note No.	31 March, 2020	31 March, 2019
ASSETS :			
Non-current Assets			
Property, Plant and Equipment	1	40406.89	31876.62
Capital Work-in-Progress	2	1392.13	1898.76
Other Intangible Assets	3	705.88	387.55
Intangible Assets under Development	2a	176.72	273.10
Financial Assets			
Investments	4	7057.00	2412.21
Loans	5	218.61	555.83
Trade Receivables	8a	58.14	-
Other Non-current Assets	6	334.57	2147.48
Total Non-current assets		50349.94	39551.55
Current Assets			
Inventories	7	33311.00	28797.48
Financial Assets			
Trade Receivables	8	12058.83	13907.31
Cash and Cash Equivalents	9a	2496.80	604.26
Bank Balances other than above	9b	32.65	39.15
Loans	10	89.78	79.35
Current Tax Assets (Net)	11	351.54	361.10
Other Current Assets	12	4632.37	3948.51
Total Current assets		52972.97	47737.16
Total Assets		103322.91	87288.71
EQUITY AND LIABILITIES:			
Equity:			
Equity Share Capital	13	1206.82	1206.82
Other Equity	14	47854.73	40410.67
Total Equity		49061.55	41617.49
Liabilities:			
Non-current Liabilities :			
Financial Liabilities			
Borrowings	15	8200.00	7265.00
Other Financial Liabilities	16	4690.02	440.64
Provisions	17	2144.26	1618.99
Deferred Tax Liabilities (Net)	18	1656.67	2006.42
Total Non-current liabilities		16690.95	11331.05
Current Liabilities			
Financial Liabilities			
Borrowings	19	13300.00	12695.39
Trade Payables	20		
- Total O/s Dues of Micro and Small Enterprises		325.77	234.82
- Dues O/s Dues of Other than Micro and Small Enterprises		16206.40	15014.33
Other Financial Liabilities	21	4570.85	3904.74
Other Current Liabilities	22	2998.22	2281.33
Provisions	23	169.17	209.57
Total Current liabilities		37570.41	34340.17
Total Equity and Liabilities		103322.91	87288.71
Significant Accounting Policies			
See Accompanying Notes to the Financial Statements	1 to 47		

As per our annexed report of even date
For **S.S.Kothari Mehta & Company**
Chartered Accountants
ICAI Firm Reg. No. 000756N

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

(Naveen Aggarwal)
Partner
Membership No. 094380

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Parul Mittal
Wholetime Director
(DIN : 00348783)

Place of Signature : New Delhi
Dated : 19th June, 2020

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & VP - Legal

Standalone Statement of Profit and Loss for the year ended 31st March, 2020

₹ in lakh

	Note No.	Year Ended 31 March, 2020	Year Ended 31 March, 2019
INCOME:			
Sale of Products		117719.01	115180.05
Other Operating Revenue		5003.17	4418.92
Revenue from Operations	24	122722.18	119598.97
Other Income	25	2264.79	214.79
Total Income		124986.97	119813.76
EXPENSES:			
Cost of Materials Consumed	26	68444.31	69312.48
Purchase of Stock in Trade	27	1099.04	946.91
Changes in Inventories of Finished Goods,			
Stock in Process and Stock in Trade	28	(2975.87)	(1596.24)
Employees Benefits Expense	29	17917.24	15770.18
Finance Costs	30	2029.91	1545.99
Depreciation and Amortisation Expense	31	4897.54	3403.79
Other Expenses	32	22143.89	21319.12
Total Expenses		113556.07	110702.23
Profit before Tax		11430.90	9111.53
Current Tax		2615.64	2573.65
		2615.64	2573.65
Income Tax for Earlier years		(140.35)	-
Deferred Tax		(307.12)	29.63
Tax Expense	33	2168.17	2603.28
Profit for the Year		9262.73	6508.25
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss) on defined benefit plans		(169.43)	88.17
Income tax relating to items that will not be reclassified to profit or loss		42.64	(30.81)
Other Comprehensive Income, net of tax		(126.79)	57.36
		9135.94	6565.61
Earnings per Equity Share Face Value ₹5 Each			
Basic and Diluted	34	38.38	26.96
Significant Accounting Policies			
See Accompanying Notes to the Financial Statements	1 to 47		

As per our annexed report of even date
For **S.S.Kothari Mehta & Company**
Chartered Accountants
ICAI Firm Reg. No. 000756N

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

(Naveen Aggarwal)
Partner
Membership No. 094380

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Parul Mittal
Wholetime Director
(DIN : 00348783)

Place of Signature : New Delhi
Dated : 19th June, 2020

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & VP - Legal

Standalone Cash Flow Statement for the period ended 31st March, 2020

₹ in lakh

	Year Ended 31 March, 2020	Year Ended 31 March, 2019
A. Cash flows from operating activities		
Profit before Tax	11430.90	9111.53
Adjustments for:		
Depreciation and Amortisation Expense	4897.54	3403.79
Finance Costs	2029.91	1545.99
Liabilities no longer required written back	57.11	81.23
Loss on Sale / Discard of Property, Plant & Equipment	79.34	2.07
Unrealised Foreign Exchange Fluctuations	185.97	33.18
Bad Debts/Provision for Doubtful Debts	7.32	313.23
Dividend Received	(1826.90)	-
Interest Income	(91.89)	(30.90)
Re-measurement gain/(loss) on defined benefit plans	(169.43)	88.17
	5168.97	5436.76
Operating cash flows before working capital changes	16599.87	14548.29
Working capital adjustments:		
(Increase) / Decrease in Trade and Other Receivables	1969.79	(3006.96)
(Increase) / Decrease in Inventories	(4513.52)	(4697.14)
(Decrease) / Increase in Trade Payables	1452.28	961.84
	(1091.45)	(6742.26)
Cash Generated from Operations	15508.43	7806.03
Income Tax Paid	(2474.03)	(3208.17)
Net cash from operating activities	13034.40	4597.86
B. Cash flows from investing activities		
Acquisition of Fixed Assets	(5,415.85)	(5660.55)
Investment	(4644.78)	(1.25)
Sale of Fixed Assets	40.78	44.00
Dividend Received	1826.90	-
Interest Received	91.89	30.90
Net Cash used in Investing Activities	(8101.06)	(5586.90)
C. Cash flows from financing activities		
Proceeds from Long Term Borrowings	5000.00	3000.00
Short Term Borrowings (Net)	604.61	4337.61
Lease Liability (Net)	(581.69)	-
Repayment of Long Term Borrowings	(4324.28)	(3963.11)
Interest Paid	(2047.56)	(1531.81)
Dividend & Corporate Dividend Tax Paid	(1691.88)	(727.44)
Net Cash used in Financing Activities	(3040.80)	1115.23
Net Increase / (Decrease) in Cash and Cash Equivalents	1892.54	126.19
Cash and Cash Equivalents at the beginning of the Year	604.26	478.07
Cash / Cash Equivalents at the close of the Year	2496.80	604.26

Standalone Cash Flow Statement for the period ended 31st March, 2020

Non Cash Changes in Liabilities arising from financing activities

₹ in lakh

Particulars	As at 31 March , 2019	Cash Flows	Non Cash Change	As at 31 March , 2020
Long Term Borrowings	11074.28	675.72	-	11750.00
Short Term Borrowings	12695.39	604.61	-	13300.00
Lease Liability	-	(581.69)	6112.75	5531.05
Interest Accrued	19.91	(2047.56)	2029.91	2.26
Dividend & Corporate Dividend Tax Paid	1.18	(1691.88)	1697.83	7.13

₹ in lakh

Particulars	As at 1 April , 2018	Cash Flows	Non Cash Change	As at 31 March , 2019
Long Term Borrowings	12037.39	(963.11)	-	11074.28
Short Term Borrowings	8357.75	4337.61	-	12695.39
Interest Accrued	5.73	(1531.81)	1545.99	19.91
Dividend & Corporate Dividend Tax Paid	0.67	(727.44)	727.95	1.18

Notes:

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

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

(iii) Figures in brackets indicate cash outflows.

As per our annexed report of even date
For **S.S.Kothari Mehta & Company**
Chartered Accountants
ICAI Firm Reg. No. 000756N

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

(Naveen Aggarwal)
Partner
Membership No. 094380

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Parul Mittal
Wholetime Director
(DIN : 00348783)

Place of Signature : New Delhi
Dated : 19th June, 2020

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & VP - Legal

Standalone Statement of Changes in Equity

for the period ended 31st March, 2020

A) Equity Share Capital

For the year ended 31st March, 2020	₹ in lakh
Balance as at 1st April 2019	1206.82
Changes in equity share capital during the year	-
Balance as at 31st March 2020	**1206.82**

For the year ended 31st March, 2019	₹ in lakh
Balance as at 1st April 2018	1206.82
Changes in equity share capital during the year	-
Balance as at 31st March 2019	**1206.82**

B) Other Equity

For the year ended 31st March, 2020 ₹ in lakh

Particulars	Reserves and Surplus			
	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April 2019	15333.48	2000.00	23077.19	**40410.67**
Profit for the year	-	-	9262.73	**9262.73**
Dividend on Equity Shares	-	-	(1689.55)	**(1689.55)**
Tax on Distribution of Dividend	-	-	(2.33)	**(2.33)**
Transferred from Statement of Profit and Loss	-	500.00	-	**500.00**
Transferred to General Reserve	-	-	(500.00)	**(500.00)**
Other Comprehensive Income/(loss) for the year:				
- Remeasurement of the net defined benefit plans	-	-	(126.79)	**(126.79)**
Balance as at 31st March 2020	**15333.48**	**2500.00**	**30021.25**	**47854.73**

For the year ended 31st March, 2019 ₹ in lakh

Particulars	Reserves and Surplus			
	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April 2018	15333.48	1500.00	17739.02	**34572.50**
Profit for the year	-	-	6508.25	**6508.25**
Dividend on Equity Shares	-	-	(603.41)	**(603.41)**
Tax on Distribution of Dividend	-	-	(124.03)	**(124.03)**
Transferred from Statement of Profit and Loss	-	500.00	-	**500.00**
Transferred to General Reserve	-	-	(500.00)	**(500.00)**
Other Comprehensive Income/(loss) for the year:				
- Remeasurement of the net defined benefit plans	-	-	57.36	**57.36**
Balance as at 31st March 2019	**15333.48**	**2000.00**	**23077.19**	**40410.67**

As per our annexed report of even date
For **S.S.Kothari Mehta & Company**
Chartered Accountants
ICAI Firm Reg. No. 000756N

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

(Naveen Aggarwal)
Partner
Membership No. 094380

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Parul Mittal
Wholetime Director
(DIN : 00348783)

Place of Signature : New Delhi
Dated : 19th June, 2020

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & VP - Legal

Significant Accounting Policies for Standalone Financial Statement

for the period ended 31st March, 2020

1. COMPANY OVERVIEW, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

I CORPORATE INFORMATION:

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

Company is engaged in the business of manufacturing laminates, decorative veneers and allied products through its factories at Behror and Nalagarh and branches and dealers' network spread all over the country. It has two wholly owned subsidiary companies operating in overseas countries, viz.,Greenlam Asia Pacific Pte Ltd and Greenlam America Inc. During the current year it has formed a new subsidiary named Greenlam South Ltd for the purpose of setting up a new manufacturing plant in Naidupeta, Nellore district, Andhra Pradesh. It imports raw materials for manufacturing. Manufactured goods are sold both in domestic and overseas markets. The overseas subsidiaries of the company are mainly engaged in marketing and distribution of company's product.

II BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

a. STATEMENT OF COMPLIANCE

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

The financial statements of the Company for the year ended 31st March, 2020 are authorized for issue in accordance with a resolution of the Directors on 19th June, 2020.

b. BASIS OF MEASUREMENT

The financial statements have been prepared under the historical cost basis, except for following assets and liabilities which have been measured at fair value.

a. Derivative Financial Instruments – Fair Value

b. Net Defined Benefits (Assets)/ Liability- Present value of Defined benefit obligations via actuarial valuation.

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

c. ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Management believes that estimates used in the preparation of the financial statements are prudent and reasonable.

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

d. FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency. All amounts have been rounded to two decimal points of lakh, unless otherwise indicated.

e. CURRENT OR NON CURRENT CLASSIFICATION

All Assets and Liabilities have been 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 Companies Act, 2013. Based on the nature of the business of the Company and its business time cycle from inception of an order and its completion on realization in cash and cash equivalents, the Company has ascertained the operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

III SIGNIFICANT ACCOUNTING POLICY

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

1.01 PROPERTY, PLANT AND EQUIPMENT:

1.01.01 Freehold Land is carried at cost and all other Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment acquired after the transition date are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, including import duties and non-refundable taxes, after deducting trade discounts, rebates, borrowing costs any other expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs of dismantling removing the item and restoring the site on which it was located under an obligation.

Assets which are not ready for their intended use on reporting date are carried as Capital work-in-progress at cost , comprising direct cost and related incidental expenses. Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date attributable to bringing the item to working conditions for its intended use and estimated costs of dismantling the item and restoring the site on which it is located. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

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

1.01.03 Depreciation commences when assets are available for there intended use. Property, Plant and Equipments are depreciated and/or amortised on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013 except in case of assets costing less than ₹5000 which are depreciated over their useful life as assessed by the management. Assets are depreciated on Straight Line basis over there useful Life from the date they are available for use. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation in respect of additions to assets has been charged on pro-rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units. Where the historical cost of a depreciable asset undergoes a change due to increase or decrease in long term liability on account of exchange fluctuations, the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/ Loss on Sale and Discard of Fixed Assets.

1.01.04 Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :

Buildings - 30 to 60 years

Plant and Equipments -5-15 years

Furniture and Fixtures - 10 years

Vehicles - 8 to 10 years

Office Equipments - 3-10 years

1.01.05 Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. Buildings constructed on Right-of-use assets are depreciated based on the useful life prescribed in the Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

1.02 INTANGIBLE ASSETS:

1.02.01 Internally generated intangible asset under development stage is recognized when it is demonstrated that it is technically feasible to use the same and the cost incurred for developing the same is ascertained. Technical Know-how so developed internally is amortised on a straight- line basis over its estimated useful life.

Intangible assets acquired by payment e.g. Trademarks, Computer Software and Technical Know-how are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.

1.02.02 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.

Intangible assets are amortised on straight-line method as follows :

Trademarks – 5-10 years

Computer Software - 5 years

Technical Know-how - 3 years

1.02.03 An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss when the asset is derecognized

Intangible Assets under Development which are not ready for their intended use are shown Separately as part of Capital Work in Progress.

1.03 Impairment

1.03.01 (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. 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.

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.

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

1.03.02 **(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.

Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

1.04 INVENTORIES:

1.04.01 The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

Stock of Raw Materials, Stores and spare parts are valued at lower of cost or net realisable value; and of those in transit and at port related to these items are valued at lower of cost to date or net realisable value. Obsolete, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

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

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

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

Waste and scraps are accounted at estimated realisable value.

Cost of inventories is ascertained on the 'weighted average' basis. Goods-in-process and finished goods are valued on absorption cost basis.

1.05 CASH FLOW STATEMENT:

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

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

1.06 Measurement of fair values

1.06.01 A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, 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.

1.06.02 The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.07 FINANCIAL ASSETS:

1.07.01 The Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortised cost using effective interest rate method.

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.

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 Company measures all equity instruments in subsidiaries at cost initially and also on subsequent recognition. Investment in preference shares of the subsidiary company are recognised at Fair Value through P&L Account at reporting date.

Trade receivables represent receivables for goods sold by the Company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date. They are recognized initially and subsequently measured at amortised cost.

The Company assesses the expected credit losses associated with its assets carried at amortised cost. Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the provision for such impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/ credit to Profit and Loss.

Significant Accounting Policies for Standalone Financial Statement for the period ended 31st March, 2020

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

1.07.02 FINANCIAL LIABILITIES:

Financial liabilities are classified as measured at amortised cost or FVTPL.

Borrowings are initially recognised and subsequently measured at amortised cost, net of transaction costs incurred. The transaction costs is amortised over the period of borrowings using the effective interest method in Capital Work in Progress upto the commencement of related Plant, Property and Equipment and subsequently under finance costs in profit and loss account.

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

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade Payables represent liabilities for goods and services provided to the Company upto to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially and subsequently measured at amortised cost.

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

Derivative financial instruments are in the nature of Forward contracts and Interest rate swaps. Forward contracts are executed to hedge the foreign exchange rate with respect to liabilities for goods and services in foreign currencies. Interest rate swaps are executed to hedge the interest rate with respect to borrowings in foreign currencies.

Derivative financial instruments are recognised initially and subsequently at fair value through mark to market valuation obtained from banking partners. Gain or loss arising from the changes in fair value of derivatives are debited to the foreign exchange fluctuations in the statement of profit and loss.

1.08 DIVIDEND:

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.

1.09 REVENUE RECOGNITION:

1.09.01 Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Company which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

Sale of Goods: Revenue from sales of goods is recognised on transfer of control of products to the customers. Revenue does not include GST, inter-transfers, returns, trade discounts, cash discounts, other benefits passed to customers in kind.

The timing of transfers of controls varies depending on the individual terms of sale.

Arrangements with customers for selling of goods are all fixed price contracts. Services: Revenue from Services are recognized as and when the services are rendered.

1.09.02 Other Revenue Streams

Interest: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividends: Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.

Insurance Claims: Insurance Claims are accounted for on acceptance and when there is a reasonable certainty of receiving the same, on grounds of prudence.

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

Government Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached thereto.

Government grants related to revenue are recognised in the Statement of Profit and Loss on a systematic and rational basis in the periods in which the Company recognises the related costs for which the grants are intended to compensate and are netted off with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Income".

Government grants relating to property, plant and equipment are treated as deferred income and are credited to the statement of profit and loss on a systematic basis over the expected useful life of the related asset to match them with the costs for which they are intended to compensate and presented within other income.

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

1.10 FOREIGN CURRENCY TRANSACTIONS:

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

The Company has exercised the option available to it under Para 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to "Long Term Foreign Currency Monetary Items". On transition to Ind AS, aforesaid

option is not available for loans availed after 1st April 2016.

1.11 EMPLOYEE BENEFITS:

1.11.01 Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

1.11.02 Post Employment and Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

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

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

1.12 BORROWING COSTS:

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of borrowings.

General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowings costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they are incurred.

1.13 SEGMENT REPORTING:

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM assesses the financial performance and position of the company, and makes strategic decisions. The CODM consists of Managing Director & CEO and Chief Financial Officer.

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing and Sale of (a) Laminate and Allied products; and (b) Veneer and Allied products.

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are (a) Sales within India include sales to customers located within India; (b) Sales outside India include sales to customers located outside India.

Common allocable costs are allocated to each segment according to the ratio of their respective turnover to the total turnover.

The Unallocated Segment includes general corporate income and expense items, which are not allocated to any business segment.

1.14 LEASES:

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

1.14.01 At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

1.14.02 The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

1.15 EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.16 ACCOUNTING FOR TAXES ON INCOME:

Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

1.16.01 Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

Current tax assets and liabilities are offset only if, the Company:

Significant Accounting Policies for Standalone Financial Statement for the period ended 31st March, 2020

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.16.02 Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.

Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

The Company has applied the amendments prescribed under IND AS 12 from 1st April, 2019 and there was no impact of these amendments on the financial statements of the Company.

1.17 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

1.17.01 Provisions are made when (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

1.17.02 Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.

Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

1.18 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES:

New and amended standards

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and

Significant Accounting Policies for Standalone Financial Statement for the period ended 31st March, 2020

Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet. Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor. The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application being April 01, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The Company recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. In accordance with the modified retrospective method of adoption, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability.

Refer note no. 44 for detailed impact on adoption of Ind AS 116 "Leases" on the financial statements of the Company.

Notes to the standalone financial statements for the period ended 31st March, 2020

1. PROPERTY, PLANT AND EQUIPMENTS

₹ in lakh

Particulars	Total as at 01/04/2019	Addition During The Year	Deduction During The Year	Total as at 31/03/2020	Total as at 01/04/2019	For The Year	Adjustment For Deductions	Total as at 31/03/2020	NET BLOCK As at 31/03/2020	NET BLOCK As at 31/03/2019
Property, Plant and Equipment										
Freehold Land	1094.20	-	-	1094.20	-	-	-	-	1094.20	1094.20
Land Development	603.11	-	-	603.11	19.13	9.37	-	28.51	574.60	583.98
Right to use Factory Land	-	1,575.72	-	1,575.72	-	21.59	-	21.59	1554.13	-
Right to use (Other than Land)	-	6,392.30	-	6,392.30	-	956.09	-	956.09	5436.21	-
Buildings	13699.13	60.26	89.42	13669.97	3062.85	442.25	22.85	3482.25	10187.72	10636.28
Plant and Equipments	38320.12	2,591.65	163.86	40747.91	20463.39	2670.85	121.43	23012.81	17735.10	17856.73
Furniture and Fixtures	1549.10	2,259.75	401.32	3407.53	829.97	254.75	345.02	739.70	2667.83	719.13
Vehicles	1061.75	17.13	22.88	1056.00	413.16	120.62	19.34	514.44	541.56	648.59
Heavy Vehicles	14.31	-	-	14.31	12.76	0.16	-	12.92	1.39	1.55
Office Equipments	1261.51	433.31	37.26	1657.56	925.35	204.03	85.97	1043.41	614.15	336.16
Total	**57603.23**	**13330.12**	**714.74**	**70218.61**	**25726.61**	**4679.72**	**594.62**	**29811.72**	**40406.89**	**31876.62**

2. CAPITAL WORK IN PROGRESS

₹ in lakh

Particulars	Total as at 01/04/2019	Addition During The Year	Deduction During The Year	Total as at 31/03/2020	Total as at 01/04/2019	For The Year	Adjustment For Deductions	Total as at 31/03/2020	NET BLOCK As at 31/03/2020	NET BLOCK As at 31/03/2019
Capital Work In Progress	1898.76	1392.13	1898.76	1392.13	-	-	-	-	1392.13	1898.76

2a. INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in lakh

Particulars	Total as at 01/04/2019	Addition During The Year	Deduction During The Year	Total as at 31/03/2020	Total as at 01/04/2019	For The Year	Adjustment For Deductions	Total as at 31/03/2020	NET BLOCK As at 31/03/2020	NET BLOCK As at 31/03/2019
Intangible Assets Under Development	273.10	176.72	273.10	176.72	-	-	-	-	176.72	273.10

3. OTHER INTANGIBLE ASSETS

₹ in lakh

Particulars	Total as at 01/04/2019	Addition During The Year	Deduction During The Year	Total as at 31/03/2020	Total as at 01/04/2019	For The Year	Adjustment For Deductions	Total as at 31/03/2020	NET BLOCK As at 31/03/2020	NET BLOCK As at 31/03/2019
Other Intangible Assets										
Trademarks	68.58	-	-	68.58	68.58	-	-	68.58	-	-
Computer Software	817.48	536.15	-	1353.63	448.73	207.59	-	656.32	697.31	368.75
Technical Knowhow	334.91	-	-	334.91	316.11	10.23	-	326.34	8.57	18.80
Total	**1220.97**	**536.16**	**-**	**1757.13**	**833.42**	**217.82**	**-**	**1051.24**	**705.88**	**387.55**

1.1 Addition to Plant and Equipments includes loss/(gain) of ₹ Nil lakh (Previous year ₹21.09 lakh on account of fluctuation in Foreign Exchange Rates.

1.2 Title deed of One Office Premises of Gross Block ₹286.98 lakh and Net block of ₹216.64 lakh (Previous Year ₹221.14 lakh) is yet to be transferred in the name of the company is included in the Building

Notes to the standalone financial statements
for the period ended 31st March, 2020

4. NON-CURRENT INVESTMENTS

	Number	31 March, 2020 ₹ in lakh	Number	31 March, 2019 ₹ in lakh
Investments in Equity Instruments (at Cost)				
Trade				
Unquoted , Fully Paid up				
Subsidiaries				
Greenlam Asia Pacific PTE Ltd - Equity Shares of US$ 1 each	2778865	1670.74	2778865	1670.74
Greenlam America Inc. - Equity Shares of US$ 1 each	1600000	740.22	1600000	740.22
Greenlam Europe (UK) Ltd.- Equity Shares of GBP 1 each	1	0	1	0
[₹82 (Previous year ₹82)]				
Greenlam South Ltd. - Equity Shares of ₹10 each	1000000	100.00	-	-
Total		**2510.96**		**2410.96**
Investments in Equity Instruments (at Cost)				
Non-Trade				
Unquoted , Fully Paid up				
Other than Subsidiaries				
Indian Laminate Association Trust- 125 equity shares of ₹1000 each	125	1.25	125	1.25
Total		**2512.21**		**2412.21**
Investments in Equity Instruments (at Cost)				
Trade				
Unquoted , Fully Paid up				
Subsidiaries				
Greenlam South Ltd. - Preference Shares of ₹10 each	6059724	4544.79		-
		7057.00		**2412.21**

5. LOANS
(Unsecured, considered good)

₹ in lakh

	31 March, 2020	31 March, 2019
Security Deposits	218.61	555.83
Total	**218.61**	**555.83**

6. OTHER NON-CURRENT ASSETS

₹ in lakh

	31 March, 2020	31 March, 2019
Capital Advances	156.80	259.26
Prepaid Lease Rentals	-	1495.85
Prepaid Interest on Security Deposits	25.70	275.82
Other Security Deposits	152.07	116.55
Total	**334.57**	**2147.48**

7. INVENTORIES
(at lower of cost or net realisable value)

₹ in lakh

	31 March, 2020	31 March, 2019
Raw Materials	18321.96	17004.37
[including in transit and at Customs Warehouse ₹591.12 lakh (Previous year ₹135.42 lakh)]		
Stock in Process	6362.21	4753.23
Finished Goods	7133.97	5675.25
[including in Transit ₹849.38 lakh (Previous year ₹1081.31 lakh)]		
Stock In Trade	100.27	192.10
Stores & Spares	1392.59	1172.53
Total	**33311.00**	**28797.48**

Notes to the standalone financial statements
for the period ended 31st March, 2020

8. TRADE RECEIVABLES

₹ in lakh

	31 March, 2020	31 March, 2019
Secured, considered good	301.36	797.88
Unsecured, considered good	11757.47	13109.43
Credit Impaired	102.32	744.01
	12161.15	**14651.32**
Less : Loss for Allowances		
Credit Impaired	102.32	744.01
Net Trade Receivables	**12058.83**	**13907.31**
Of the above, Trade Receivable from Related parties		
Trade Receivable from related parties	**3861.89**	**1854.24**
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a member	-	-

8a. TRADE RECEIVABLES (NON - CURRENT)

₹ in lakh

	31 March, 2020	31 March, 2019
Unsecured, considered good	58.14	-
	58.14	-

9. CASH & BANK BALANCES

₹ in lakh

	31 March, 2020	31 March, 2019
a. Cash & Cash Equivalents		
Balances with Banks - on Current Accounts	2483.60	255.83
Cash on Hand	13.09	5.90
Cheque in Hand	0.11	342.53
	2496.80	**604.26**
b. Other Bank Balances		
Earmarked balance with Banks for Unpaid Dividend Accounts	7.13	1.18
Bank Deposits Due to Mature after 3 months of original maturities but within 12 months of reporting date	25.52	37.97
	32.65	39.15
Total	**2529.45**	**643.41**

10. LOANS - CURRENT FINANCIAL ASSETS
(Unsecured, considered good)

₹ in lakh

	31 March, 2020	31 March, 2019
Advance to Employees		
Unsecured, considered good	89.78	79.35
Total	**89.78**	**79.35**

11. CURRENT TAX ASSETS (Net)

₹ in lakh

	31 March, 2020	31 March, 2019
Advance Payment of Income Tax (Less Provision)	351.54	361.10
	351.54	**361.10**

Notes to the standalone financial statements
for the period ended 31st March, 2020

12 OTHER CURRENT ASSETS

₹ in lakh

	31 March, 2020	31 March, 2019
Advance against Purchases	579.12	713.62
Balance with Government Authorities	647.66	211.83
Insurance Claim Receivable	137.47	128.63
GST/Excise Refund Receivable	124.28	112.04
Advance Payment of Entry Tax/ Sales Tax	684.39	720.03
Export Incentive Receivable	1486.46	806.82
Budgetary Support Under GST Regime Receivable	459.93	741.64
Prepaid Expenses	383.36	492.75
Prepaid Lease Rentals	-	21.15
Derivative Instruments-Mark to Market valuation	129.70	-
Total	4632.37	3948.51

13. EQUITY SHARE CAPITAL

	Number	31 March, 2020 ₹ in lakh	Number	31 March, 2019 ₹ in lakh
13.1 Authorised				
Equity Shares of ₹5 each	30000000	1500.00	30000000	1500.00
13.2 Issued, Subscribed and Fully Paid up				
Equity Shares of ₹5 each	24136374	1206.82	24136374	1206.82
13.3 The reconciliation of the number of shares outstanding				
Equity Shares at the beginning of the year	24136374	1206.82	24136374	1206.82
Add : Allotted during the year	-	-	-	-
Total	24136374	1206.82	24136374	1206.82

13.4 Terms/Rights attached to the Equity Shares

The Company has a single class of Equity Shares having a par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year, the amount of per share dividend recognized as distribution to equity shareholders was ₹3.00 (Previous year ₹2.50). And this year interim dividend distributed ₹4 per share (Previous year Nil)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. This distribution will be in proportion to the number of equity shares held by the shareholders.

13.5 Name of the Shareholders holding more than 5% Shares

	31 March,2020		31 March, 2019	
	Number	%	Number	%
EQUITY SHARES				
Greenply Leasing & Finance Pvt. Ltd	9003511	37.30%	8966114	37.15%
Saurabh Mittal	3206534	13.29%	3206534	13.29%
Westbridge Crossover Fund LLC	1901342	7.88%	1901342	7.88%
HDFC Trustee Company Ltd	2174376	9.01%	2174376	9.01%
Ashish Dhawan	1362842	5.65%	1362824	5.65%

Notes to the standalone financial statements
for the period ended 31st March, 2020

14. OTHER EQUITY

₹ in lakh

	31 March, 2020	31 March, 2019
Capital Reserve		
Balance as per last Financial Statements	15333.48	15333.48
	15333.48	15333.48
General Reserve		
Balance as per last Financial Statements	2000.00	1500.00
Add: Transferred from Statement of Profit and Loss	500.00	500.00
	2500.00	2000.00
Retained Earnings		
Retained Earnings other than OCI		
Balance as per last Financial Statements	23238.96	17958.15
Add : Profit for the year	9262.73	6508.25
Less : Transferred to General Reserve	500.00	500.00
Less : Dividend on Equity Shares	1689.55	603.41
Less : Tax on Distribution of Dividend	2.33	124.03
	30309.81	23238.96
Other Comprehensive Income (OCI)		
As per last Balance Sheet	(161.77)	(219.13)
Remeasurement of the net defined benefit plans	(126.79)	57.36
	(288.55)	(161.77)
Total	47854.73	40410.67

15. NON CURRENT FINANCIAL LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
BORROWINGS		
Secured		
Term Loans		
From Banks		
Rupee Loans	11750.00	11074.28
	11750.00	11074.28
Less : Current maturities of Long Term Borrowings*	3550.00	3809.28
	8200.00	7265.00

15.1 Term Loans of ₹11750.00 lakh are secured by first pari-passu charge on all movable fixed assets of the Company, present and future, first pari-passu charge on immovable fixed assets of the Company's units at (a) Behror (Rajasthan) and (b) Nalagarh (Himachal Pradesh), second pari-passu charge on all current assets of the Company, present and future.

15.2 Terms of Repayment of Term Loans

₹ in lakh

	Repayment Schedule					
	2020-2021	2021-2022	2022-23	2023-2024	2024-2025	2025-2026
Term Loans from Banks						
Secured						
Equal Quarterly Installments	1250.00	-	-	-	-	-
Equal Quarterly Installments	1000.00	1000.00	750.00	-	-	-
Equal Quarterly Installments	1000.00	1000.00	1000.00	1000.00	750.00	-
Equal Quarterly Installments	300.00	600.00	600.00	600.00	600.00	300.00
	3550.00	2600.00	2350.00	1600.00	1350.00	300.00

* Represents Current Maturities of Long Term Borrowings.

Notes to the standalone financial statements
for the period ended 31st March, 2020

16. NON CURRENT-OTHER FINANCIAL LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
Others		
Security Deposits from Customers	170.40	165.90
Liability for Right to Use	4519.62	-
Prepaid Interest on Security Deposit	-	274.74
	4690.02	440.64

17. NON CURRENT PROVISIONS

₹ in lakh

	31 March, 2020	31 March, 2019
Provisions for Employee Benefits		
Net defined benefit liability- Gratuity	1562.42	1134.04
Liability for compensated absences	581.84	484.95
Total	2144.26	1618.99

18. DEFERRED TAX LIABILITIES (NET)

₹ in lakh

	31 March, 2020	31 March, 2019
Deferred Tax Liabilities		
Property, Plant & Equipment	1985.18	2801.67
Others	462.72	358.11
	2447.90	3159.78
Less : Deferred Tax Assets		
Provision for Gratuity/Liabilities	791.22	1153.36
Total	1656.67	2006.42

19. CURRENT FINANCIAL LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
BORROWINGS		
Secured		
Loans Repayable on Demand		
Working Capital Loans		
From Banks		
Rupee Loans	11500.00	9045.39
Unsecured		
Other Loans and advances		
From Banks	1500.00	3000.00
Channel Finance Assurance Facility	300.00	650.00
	1800.00	3650.00
	13300.00	12695.39

19.1 Working Capital Loans of ₹11500 lakh are secured by first pari-passu charge on all current assets of the company, present and future, second pari-passu charge on all movable fixed assets of the company, present and future and second pari-passu charge on immovable fixed assets of the company's units at (a) Behror (Rajasthan) and (b) Nalagarh (Himachal Pradesh).

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

20. CURRENT FINANCIAL LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
TRADE PAYABLES		
Dues to Micro and Small Enterprises		
(to the extent identified with the available information)(Refer Note No 43)	325.77	234.82
Dues to Other than Micro and Small Enterprises	16206.40	15014.33
Total	16532.17	15249.15

Notes to the standalone financial statements
for the period ended 31st March, 2020

21. CURRENT-OTHER FINANCIAL LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
Current maturities of Long Term Borrowings*	3550.00	3809.28
Interest Accrued but not due on borrowings	2.26	19.91
Unpaid Dividend	7.13	1.18
Derivative Instruments-Mark to Market valuation	-	74.37
Liability for Right to Use	1011.43	-
Others	0.03	-
Total	4570.85	3904.74

* The terms are stated in notes no 15.1 to 15.2

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

22. OTHER CURRENT LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
Advance from Customers	878.53	551.67
Statutory Dues	1025.66	1034.32
Provision for Cash Discount	-	73.75
Amount Payable to Capital Goods Vendors	584.48	481.31
Employees Payables	509.55	140.28
Total	2998.22	2281.33

23. CURRENT PROVISIONS

₹ in lakh

	31 March, 2020	31 March, 2019
Provision for employee benefits		
Net defined benefit liability- Gratuity	106.65	118.10
Liability for compensated absences	62.52	91.47
	169.17	209.57

24. REVENUE FROM OPERATIONS

₹ in lakh

	31 March, 2020	31 March, 2019
Sale of Products	117719.01	115180.05
Other Operating Revenue		
Export Incentive	3797.76	3508.03
Budgetary Support Under GST Regime	136.57	632.67
Miscellaneous Income	1068.84	278.22
	5003.17	4418.92
Total	122722.18	119598.97

24.1 PARTICULARS OF SALE OF PRODUCTS

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Decorative Laminates	96556.50	94372.82
[including exports ₹46176.96 lakh (Previous year ₹41123.84 lakh)]		
Decorative Veneers	11114.33	12912.31
[including exports ₹108.10 lakh (Previous year ₹163.63 lakh)]		
Engineered Wood Flooring	4429.79	4011.17
[including exports ₹1172.31lakh (Previous year ₹1008.31 lakh)]		
Melamine Faced Chipboards	1841.13	1005.18
Engineered Door Sets & Door Leaf	3190.84	2183.13
[including exports ₹536.34 lakh (Previous year ₹670.35 lakh)]		
Others	586.42	695.44
[including exports Nil lakh (Previous year ₹1.92 lakh)]		
Total	117719.01	115180.05

Notes to the standalone financial statements
for the period ended 31st March, 2020

25. OTHER INCOME

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Interest Income	91.89	30.90
Liabilities no longer required written back	57.11	81.23
Gain on Sale of Property, Plant & Equipment	-	13.94
Corporate Guarantee/SBLC Commission	71.38	83.35
Other Income	12.05	5.37
Dividend Received	1826.90	-
Gain due to Fluctuation in Foreign Exchange Rates	205.46	-
Total	2264.79	214.79

26. COST OF MATERIALS CONSUMED

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Inventory of Raw Material at the beginning of the year	17004.37	14043.09
Add: Purchase	69761.90	72273.76
Less: Inventory of Raw Material at the end of year	18321.96	17004.37
Total	68444.31	69312.48

27. PURCHASE OF STOCK IN TRADE

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Purchase of Traded Goods	1099.04	946.91
Total	1099.04	946.91

28. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
OPENING STOCK		
Finished Goods	5675.25	4928.90
Stock in Trade	192.10	340.35
Goods-in-Process	4753.23	3755.09
	10620.58	9024.34
CLOSING STOCK		
Finished Goods	7133.97	5675.25
Stock in Trade	100.27	192.10
Goods-in-Process	6362.21	4753.23
	13596.45	10620.58
Total	(2975.87)	(1596.24)

29. EMPLOYEES BENEFITS EXPENSE

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Salary, Wages and Bonus	16695.77	14734.04
Contribution to Provident Fund & Employees' State Insurance	777.14	685.27
Employees' Welfare Expenses	444.33	350.87
Total	17917.24	15770.18

Notes to the standalone financial statements
for the period ended 31st March, 2020

29.1 DISCLOSURES REGARDING EMPLOYEE BENEFITS

i) **Defined Contribution Plan:** Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

ii) **Defined Benefit Plan:** Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

iii) Actuarial Valuation of Gratuity Liability

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
a) Defined Benefit Cost		
Current Service Cost	200.48	199.85
Interest Expense on Defined Benefit Obligation (DBO)	95.79	85.37
Defined Benefit Cost included in Profit and Loss	296.27	285.22
Remeasurement - Due to Financial Assumptions	155.51	(112.79)
Remeasurement - Due to Experience Adjustments	14.59	24.62
Defined Benefit Cost included in Other Comprehensive Income	170.10	(88.17)
Total Defined Benefit Cost in Profit and Loss and OCI	466.37	197.05
b) Movement in Defined benefit liability:		
Opening Defined Benefit Obligation	1252.14	1107.26
Interest Expense on Defined Benefit Obligation (DBO)	95.79	85.37
Current Service Cost	200.48	199.85
Total Remeasurement included in OCI	169.43	(88.17)
Less: Benefits paid	(48.77)	(52.17)
Closing benefit obligation	1669.07	1252.14
Current Liabilities of Closing benefit obligation	106.65	118.10
Non-Current Liabilities of Closing benefit obligation	1562.42	1134.04
	1669.07	1252.14
c) Sensitivity Analysis:		
Under Base Scenario		
Salary Escalation - Increase by 0.50%	104.56	73.71
Salary Escalation - Decrease by 0.50%	(96.65)	(72.26)
Discount Rates - Increase by 0.50%	(95.09)	(70.61)
Discount Rates - Decrease by 0.50%	103.74	72.50
d) Actuarial assumptions:		
Mortality Table	IALM 2006-2008	IALM 2006-2008
Discount Rate (per annum)	6.80%	7.65%
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	5.50%	5.50%
Withdrawal rates:		
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

Notes to the standalone financial statements

for the period ended 31st March, 2020

iii) Actuarial Valuation of Leave Encashment Liability :

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Defined Benefit Cost		
Current Service Cost	122.66	177.69
Interest Expense on Defined Benefit Obligation (DBO)	44.10	43.34
Defined Benefit Cost included in Profit and Loss	166.76	221.03
Remeasurement - Due to Financial Assumptions	62.11	(52.09)
Remeasurement - Due to Experience Adjustments	63.92	54.39
Defined Benefit Cost included in Other Comprehensive Income	126.03	2.30
Total Defined Benefit Cost in Profit and Loss and OCI	292.79	223.33
Movement in Defined benefit liability:		
Opening Defined Benefit Obligation	576.42	562.15
Interest Expense on Defined Benefit Obligation (DBO)	44.10	43.34
Current Service Cost	122.66	177.69
Total Remeasurement included in OCI	125.77	2.30
Less: Benefits paid	(224.59)	(209.06)
Closing benefit obligation	644.36	576.42
Current Liabilities of Closing benefit obligation	62.52	91.47
Non-Current Liabilities of Closing benefit obligation	581.84	484.95
	644.36	576.42
Sensitivity Analysis:		
Under Base Scenario		
Salary Escalation - Increase by 0.50%	41.59	34.46
Salary Escalation - Decrease by 0.50%	(38.29)	(31.77)
Discount Rates - Increase by 0.50%	(37.67)	(31.02)
Discount Rates - Decrease by 0.50%	41.27	33.91
Actuarial assumptions:		
Mortality Table	IALM 2006-2008	IALM 2006-2008
Discount Rate (per annum)	6.80%	7.65%
Expected rate of return on plan assets (per annum)	-	-
a) Rate of escalation in salary (per annum)	5.50%	5.50%
Withdrawal rates:		
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Leave Availment Rate	4.00%	4.00%

v) Amount incurred as expense for defined contribution to Provident Fund is ₹634.21 lakh (Previous Year ₹572.80 lakh).

30. FINANCE COSTS

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Interest Expense	1566.28	1523.11
Interest Expense (Right to Use)	450.81	-
Other Borrowing Cost	12.82	22.88
Total	2029.91	1545.99

31. DEPRECIATION & AMORTISATION EXPENSE

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Depreciation of Property, Plant & Equipment	3692.67	3274.08
Depreciation (Right to Use)	977.68	-
Amortisation of Intangible Assets	227.19	129.71
Total	4897.54	3403.79

Notes to the standalone financial statements

for the period ended 31st March, 2020

32. OTHER EXPENSES

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Consumption of stores and spares	988.27	647.74
Power & Fuel	3376.93	3730.71
Rent	70.24	885.77
Repairs to buildings	58.82	44.19
Repairs to machinery	611.37	876.78
Insurance	164.05	213.60
Rates and taxes	38.76	35.53
Travelling expenses	1450.01	1386.85
Freight & delivery expenses	2814.35	2816.18
Export Expenses	3484.24	3515.62
Advertisement & Sales promotion	5280.09	3370.47
Auditors' Remuneration	26.98	20.52
Secretarial Auditor's Remuneration	3.00	1.16
Expenditure on CSR Activities	167.56	151.14
Bad Debts	7.32	313.23
Loss on Sale / Discard of Property, Plant & Equipment	79.34	16.01
Prior Period Expenses	2.65	-
Directors' Sitting Fees	21.50	11.00
Independent Directors' Commission	68.41	30.00
Amortisation of Prepaid Lease Rentals	-	21.15
Loss/(Gain) due to Fluctuation in Foreign Exchange Rates	-	141.76
Other General Expenses	3430.00	3089.71
Total	22143.89	21319.12

32.1 AUDITORS' REMUNERATION

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
As Auditors	25.75	19.00
For Other Services	1.23	1.52
Total	26.98	20.52

Note : Fees are exclusive of Goods & Services Tax

32.2 CONTRIBUTION FOR CSR ACTIVITIES

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
(a) Gross Amount required to be spent by the Company during the year	167.52	150.89
(b) Amount spent during the year in Cash on :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above		
- Contribution towards Woman and Child Health Care	58.00	82.94
- Contribution towards Education of Orphan Girl Child	28.50	28.50
- Contribution towards Promotion of Education, Health and Livelihood	5.13	39.70
- Others	72.93	-
- Amount Provided for PM Cares Fund	3.00	-
	167.56	151.14

Notes to the standalone financial statements

for the period ended 31st March, 2020

33. TAXATION

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Tax Expense recognised in the Statement of Profit and Loss:		
Current Tax Expense	2615.64	2573.65
Mat Credit Entitlement	-	-
Income Tax Expense	**2615.64**	**2573.65**
Earlier Years Tax Expense	(140.35)	-
Income Tax Expense including Earlier year tax	**2475.29**	**2573.65**
Deferred Tax	(307.12)	29.63
Total Tax Expense in Statement of Profit and Loss	**2168.17**	**2603.28**
Reconciliation of Tax Expense recognised in the Statement of Profit and Loss:		
Profit before Tax as per Statement of Profit and Loss	11430.90	9111.53
Re-measurement gain/(loss) on defined benefit plans in OCI	(169.43)	(88.17)
Changes in Profit before tax due to Ind AS Transition	-	-
Accounting Profit before Tax	**11261.47**	**9023.36**
Applicable Income Tax rate	25.167%	34.944%
Computed Tax expense	**2834.17**	**3153.12**
Additional deductions for tax purpose	(9.74)	(479.31)
Expense not allowed for tax purpose	26.05	53.64
Timing difference of Depreciation	299.90	(153.19)
Timing difference of Liabilities	(848.24)	(0.61)
Earlier Years Tax Expense	(140.35)	-
Tax on Dividend Paid at Special Rate	313.50	-
Income Tax charged to Statement of Profit and Loss (A)	**2475.29**	**2573.65**
Reconciliation of Deferred Tax Liability:		
Timing difference of Depreciation	(711.88)	66.25
Timing difference of Liabilities	362.13	(5.82)
Deferred Tax in Statement of Profit and Loss	**(349.76)**	**60.44**
Timing difference of Liabilities in Other Comprehensive Income	42.64	(30.81)
Deferred Tax in Total Comprehensive Income (B)	**(307.12)**	**29.63**
Tax Expense recognised in Statement of Profit & Loss (A+B)	**2168.17**	**2603.28**
Effective Tax Rate	**19.25%**	**28.85%**

34. EARNINGS PER SHARE

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Calculation of weighted average number of equity shares of ₹5 each		
No of Shares at the beginning of the year	24136374	24136374
Total number of equity shares outstanding at the end of the year	24136374	24136374
Weighted average number of equity shares outstanding during the year	24136374	24136374
Net Profit (after tax, available for equity shareholders)	9262.73	6508.25
BASIC AND DILUTED EARNINGS PER SHARE	**38.38**	**26.96**

35. CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Contingent liabilities

(a) Claims against the company not acknowledge as debt:

₹ in lakh

	31 March, 2020	31 March, 2019
(i) Excise duty, sales tax and other indirect taxes in dispute	109.23	247.57
(ii) Consumer court cases in dispute	17.39	17.39
(iii) Other Cases	15.00	-

Notes:

i) Based on the discussion with the solicitors/favourable decisions in similar cases/legal opinion taken by the Company, the management believes that the Company has a good chance of success in above mentioned cases and hence, no provision there against is considered necessary.

ii) The company does not expect any reimbursements in respect of the above contingent liabilities.

iii) Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

(b) Others:

₹ in lakh

	31 March, 2020	31 March, 2019
a) Letters of Credit established but Goods not received	4330.20	2131.79
b) Stand By Letter of Credit Given	Outstanding	Outstanding
Greenlam America Inc. (SBLC USD 10 lakh)	510.23	345.55
	510.23	**345.55**
c) Corporate Guarantee Given		
Greenlam Asia Pacific Pte Ltd - USD 50 lakh (Previous Year USD 85 lakh)	3779.50	5874.35
Greenlam Europe (UK) Ltd -GBP 10 lakh (Previous Year - 10 lakh)	936.56	906.58
	4716.06	**6780.93**

35.1 COMMITMENTS

₹ in lakh

	31 March, 2020	31 March, 2019
a. Estimated pending Capital contract (Net of Advance)	2,495.58	1321.77
b. Uncalled liability on shares and other investments which are partly paid	-	-
c. Other commitments	-	-

36. SEGMENT REPORTING

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company. As part of Secondary reporting, revenues are attributed to geographical areas based on the location of the customers. The following table present the revenue, profit, assets and liabilities information relating to the business / geographical segment for the year ended 31st March,2020

Information about Business Segments - Primary

₹ in lakh

Reportable Segment	Laminate & Allied Products		Veneer & Allied Products		Unallocated		Total	
	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
REVENUE								
External Sales	98920.75	96018.36	18798.26	19161.69	-	-	117719.01	115180.05
Inter-segment Sales	-	-	-	-	-	-	-	-
Gross Sales	98920.75	96018.36	18798.26	19161.69	-	-	117719.01	115180.05

Notes to the standalone financial statements
for the period ended 31st March, 2020

₹ in lakh

Reportable Segment	Laminate & Allied Products		Veneer & Allied Products		Unallocated		Total	
	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
Other Operating Income	4326.35	3956.48	676.82	462.44	-	-	**5003.17**	**4418.92**
Revenue from Operation	**103247.10**	**99974.84**	**19475.08**	**19624.13**	**-**	**-**	**122722.18**	**119598.97**
RESULT								
Segment Result	19188.07	15741.60	149.26	1150.60	-	-	**19337.33**	**16892.20**
Unallocated Corporate Expenses					5968.41	6265.58	**5968.41**	**6265.58**
Operating Profit							**13368.92**	**10626.62**
Less : Interest Expense					2029.91	1545.99	**2029.91**	**1545.99**
Add : Interest Income					91.89	30.90	**91.89**	**30.90**
Profit before Tax							**11430.90**	**9111.53**
Current Tax including Earlier Year Tax							**2475.29**	**2573.65**
Deferred Tax							**(307.12)**	**29.63**
Profit after Tax							**9262.73**	**6508.25**
Other Comprehensive Income							**(126.79)**	**57.36**
Total Comprehensive Income for the year, net of Tax							**9135.94**	**6565.61**
OTHER INFORMATION								
Segment Assets	57146.52	53794.71	26981.09	25554.42	19195.30	7939.58	**103322.91**	**87288.71**
Segment Liabilities	17881.31	14379.43	3277.88	3362.06	6395.47	2153.65	**27554.66**	**19895.14**
Loan Fund					25050.03	23769.66	**25050.03**	**23769.66**
Deferred Tax Liabilities (Net)					1656.67	2006.42	**1656.67**	**2006.42**
Shareholders' Funds					49061.55	41617.49	**49061.55**	**41617.49**
Total Liabilities							**103322.91**	**87288.71**

Secondary Segment - Geographical by location of customers

₹ in lakh

	Revenue		Carrying Amount of Segment Assets		Additions to Fixed Assets	
	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
Within India	69725.30	72212.01	103322.91	87288.71	5415.85	5660.55
Outside India	47993.71	42968.04	-	-	-	-
	117719.01	**115180.05**	**103322.91**	**87288.71**	**5415.85**	**5660.55**

NOTES:

a) **Business Segments :**

A description of the types of products and services provided by each reportable segment is as follows:

Laminate & Allied Products: The Segment is engaged in the business of manufacturing of Laminates, compact laminates and other allied products through its wholesale and retail network.

Notes to the standalone financial statements
for the period ended 31st March, 2020

Veneer & Allied Products: The Segment is engaged in the business of manufacturing of Decorative veneers, Engineered Wood Flooring, Engineered Door Sets & Door Leaf and other allied products through its wholesale and retail network.

b) **Segment Assets and Liabilities :**

All Segment Assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, advances and operating cash and bank balances. Segment assets and liabilities do not include share capital, reserves and surplus, borrowings, proposed dividend and income tax (both current and deferred).

c) **Segment Revenue and Expenses :**

Segment revenue and expenses are directly attributable to the segment. It does not include dividend income, profit on sale of investments, interest income, interest expense, other expenses which cannot be allocated on a reasonable basis and provision for income tax (both current and deferred).

37. RELATED PARTY DISCLOSURES

37.1 List of related parties and relationship:

a) Related parties where control exists

Subsidiary Companies

i) Greenlam Asia Pacific Pte. Ltd.
ii) Greenlam South Ltd. (incorporated on 14th Oct,2019)
iii) Greenlam America, Inc.
iv) Greenlam Europe (UK) Ltd.
v) Greenlam Decolan SA (acquired on 14th May, 2019 by Greenlam Asia Pacific Pte. Ltd)
vi) Greenlam Asia Pacific (Thailand) Co. Ltd.
vii) Greenlam Holding Co. Ltd.
viii) Pt. Greenlam Asia Pacific

b) Related parties with whom transactions have taken place during the year.

Key Management Personnel

i) Mr. Shiv Prakash Mittal, Non Executive Chairman
ii) Mr. Saurabh Mittal, Managing Director & CEO
iii) Mrs. Parul Mittal, Whole-Time Director
iv) Mr. Vijay Kumar Chopra, Independent Director
v) Mrs. Urvashi Saxena, Independent Director (resigned on 1st April, 2019)
vi) Ms. Sonali Bhagwati Dalal, Independent Director
vii) Mr. Sandip Das, Independent Director (appointed on 13th June,2019)
viii) Mr. Ashok Kumar Sharma, Chief Financial Officer
ix) Mr. Prakash Kumar Biswal, Company Secretary

Enterprises Owned/Influenced by Key Management Personnel or their relatives

i) Himalaya Granites Ltd.
ii) Greenply Industries Ltd.
iii) Greenpanel Industries Ltd.
iv) Seema Realcon Pvt Ltd (Brother of Mrs Parul Mittal is a Director in Seema Realcon Pvt Ltd.)

37.2 TRANSACTIONS DURING THE YEAR:

₹ in lakh

Particulars	Subsidiaries		Key Management Personnel		Enterprises Owned/ Influenced by Key Management Personnel or their relatives	
	2019-2020	2018-19	2019-2020	2018-19	2019-2020	2018-19
Sale of Products						
Greenply Industries Ltd.	-	-	-	-	38.99	149.30
Greenpanel Industries Ltd.	-	-	-	-	97.06	-
Greenlam Asia Pacific Pte. Ltd.	13165.84	12711.96	-	-	-	-
Greenlam America, Inc.	6999.65	7865.23	-	-	-	-
Greenlam Europe (UK) Ltd.	4551.84	3672.72	-	-	-	-
Greenlam Decolan SA	3379.11	-				
Seema Realcon Pvt Ltd	-	-	-	-	4990.98	4901.42
Total	**28096.44**	**24249.91**	**-**	**-**	**5127.03**	**5050.72**
Purchase of Products						
Greenply Industries Ltd.	-	-	-	-	-	539.95
Greenpanel Industries Ltd	-	-	-	-	852.70	-
Greenlam Europe (UK) Ltd.	-	4.54	-	-	-	-
Seema Realcon Pvt Ltd	-	-	-	-	0.20	1.67
Total	**-**	**4.54**	**-**	**-**	**852.90**	**541.62**
Dividend Received						
Greenlam Asia Pacific Pte. Ltd.	787.95	-	-	-	-	-
Greenlam America, Inc.	1038.94	-	-	-	-	-
Total	**1826.89**	**-**	**-**	**-**	**-**	**-**
Investment (Equity Shares)						
Greenlam South Ltd	100.00	-	-	-	-	-
	100.00	**-**	**-**	**-**	**-**	**-**
Investment (OCPS)						
Greenlam South Ltd	4544.79	-	-	-	-	-
	4544.79	**-**	**-**	**-**	**-**	**-**
Interest Received						
Greenlam South Ltd	49.77					
	49.77	**-**	**-**	**-**	**-**	**-**
Guarantee Commission Received						
Greenlam Asia Pacific Pte. Ltd.	48.05	60.07	-	-	-	-
Greenlam Europe (UK) Ltd.	9.04	9.10	-	-	-	-
	57.09	**69.17**	**-**	**-**	**-**	**-**
SBLC Commission Received						
Greenlam America Inc.	14.29	14.18	-	-	-	-
	14.29	**14.18**	**-**	**-**	**-**	**-**
Rent Paid						
Himalaya Granites Ltd.	-	-	-	-	58.11	55.13
Greenply Industries Ltd.	-	-	-	-	-	0.60
Greenpanel Industries Ltd.	-	-	-	-	0.60	-
Total	**-**	**-**	**-**	**-**	**58.71**	**55.73**
Remuneration Paid						
Mr. Saurabh Mittal	-	-	519.48	496.39	-	-
Mrs. Parul Mittal	-	-	275.90	276.91	-	-
Mr Shiv Prakash Mittal**	-	-	18.00	-	-	-
Mr. Vijay Kumar Chopra#	-	-	24.90	13.60	-	-
Mrs. Urvashi Saxena#	-	-	-	13.60	-	-
Ms. Sonali Bhagwati Dalal#	-	-	26.30	13.80	-	-
Mr. Sandip Das	-	-	20.71	-	-	-
Mr. Ashok Kumar Sharma	-	-	124.75	110.86	-	-
Mr. Prakash Kumar Biswal	-	-	51.32	43.68	-	-
Total	**-**	**-**	**1061.36**	**968.84**	**-**	**-**

Notes to the standalone financial statements
for the period ended 31st March, 2020

₹ in lakh

Particulars	Subsidiaries		Key Management Personnel		Enterprises Owned/ Influenced by Key Management Personnel or their relatives	
	2019-2020	2018-19	2019-2020	2018-19	2019-2020	2018-19
Amount outstanding as at Balance Sheet date						
Trade Receivable						
Greenlam Asia Pacific Pte. Ltd.	43.08	-	-	-	-	-
Greenlam America, Inc.	46.32	1.98	-	-	-	-
Greenlam Europe (UK) Ltd.	1337.92	1796.14	-	-	-	-
Greenlam Decolan SA	2405.45	-	-	-	-	-
Greenply Industries Ltd.	-	-	-	-	8.22	3.84
Greenpanel Industries Ltd.	-	-	-	-	20.90	-
Seema Realcon Pvt Ltd *					-	52.28
Total	**3832.77**	**1798.12**	**-**	**-**	**29.12**	**56.12**
Advance from Customer						
Seema Realcon Pvt Ltd *					9.95	-
	-	**-**	**-**	**-**	**9.95**	**-**
Trade Payable						
Greenply Industries Ltd.	-	-	-	-	-	59.47
Greenlam Europe (UK) Ltd.	-	4.54	-	-	-	-
Greenpanel Industries Ltd.	-	-	-	-	43.65	-
Total	**-**	**4.54**	**-**	**-**	**43.65**	**59.47**
Remuneration Payable						
Mr. Saurabh Mittal	-	-	255.00	231.91	-	-
Mrs. Parul Mittal	-	-	141.50	142.51	-	-
Total	**-**	**-**	**396.50**	**374.42**	**-**	**-**

37.3 Investments by the loanee in the shares of the parent Company and its subsidiary companies, when the Company has made a loan or advance in the nature of loan ₹ Nil (Previous year ₹ Nil)

** Subject to Shareholders Approval

Including sitting fees and commission

* Amount due from Seema Realcon Pvt Ltd is exclusive of ₹159.71 lakh (Previous Year ₹358.44 lakh), received through Channel Finance

Facility from a Bank.

Terms and conditions of transactions with related parties

Purchase from related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end are unsecured and will be settled in cash and cash equivalents.

The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year through examining the financial position of the related parties and the market in which the related party operates.

The guarantees given to related party is made in the ordinary course of business and on terms at arm's length price. The commission on such guarantees have been recovered at arm length price as per safe harbour rules of Income Tax Act.

38. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS MADE BY THE COMPANY:

(I) DETAILS OF LOANS:

Sl No.	Date of investment	Date of Board Resolution	Date of Special Resolution (if any)	Name of investee	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Amount (₹ in lakh)	Rate of interest	Security	Remarks
1	13/11/2019	30/09/2019	N.A.	Greenlam South Ltd	Business Purpose	400.00	9%	Unsecured	Outstanding amount of said loan has been converted into optionally convertible preference Shares
2	06/12/2019	30/09/2019	N.A.	Greenlam South Ltd	Business Purpose	100.00	9%	Unsecured	Square off on 07/2/2020
3	03/02/2020	29/01/2020	N.A.	Greenlam South Ltd	Business Purpose	4,000.00	7.50%	Unsecured	Outstanding amount of said loan has been converted into optionally convertible preference Shares
4	14/02/2020	29/01/2020	N.A.	Greenlam South Ltd	Business Purpose	100.00	7.50%	Unsecured	Outstanding amount of said loan has been converted into optionally convertible preference Shares

(II) DETAILS OF INVESTMENTS:

Sl No.	Date of investment	Date of Board Resolution	Date of Special Resolution (if any)	Name of investee	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Amount (₹ in lakh)	Remarks
1	14/10/2019	30/09/2019	N.A.	Greenlam South Ltd	For business requirements.	100.00	Equity Share
2	17/03/2020	30/09/2019 and 29/01/2020	N.A.	Greenlam South Ltd	For business requirements.	4544.79	Preference Shares (OCPS)

(III) DETAILS OF GUARANTEE / SECURITY PROVIDED

Sl No.	Date of investment	Date of Board Resolution	Date of Special Resolution (if any)	Name of investee	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Amount (Foreign Currency in lakh)	Amount (₹ in lakh)	Expected rate of return
1	12.03.2020	29.01.2020	N.A.	Greenlam Asia Pacific Pte Ltd	For business requirements.	USD 50	3779.5	Not Applicable
2	27.10.2019	25.07.2019	N.A.	Greenlam America Inc.	For business requirements.	USD 10	755.9	Not Applicable

Note- amount in INR converted at year end conversion rate

Notes to the standalone financial statements

for the period ended 31st March, 2020

39. FINANCIAL RISK MANAGEMENT

The Company's financial risk management is an integral part of planning and executing its business strategies. The Company's financial risk management policy is planned, approved and reviewed by the Board of Directors. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

39.1 Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a loans and borrowings will fluctuate because of change of market interest rate

Interest Rate Sensitivity

The Following table demonstrate the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in lakh

	Impact on profit & Loss 31 March, 2020	Impact on profit & Loss 31 March, 2019
Interest Rate Increase by 50 basis point	(123.75)	(115.60)
Interest Rate decrease by 50 basis point	123.75	115.60

39.2 Market Risk

Market Risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables, and loans and borrowings. The company manages market risk through the corporate finance department, which evaluates and exercises independent control over the entire process of market risk management. The corporate finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

39.3 Foreign Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign currency forward contracts to hedge exposure to foreign currency risk.

Particulars	Currency	31 March, 2020		31 March, 2019	
		Foreign Currency	₹ in lakh	Foreign Currency	₹ in lakh
Hedged Foreign Currency Exposures:					
Purchase (Hedging of Trade Payables)	EURO	2736464	2280.31	1426066	1104.41
	USD	1879483	1420.70	2211447	1528.33
	JPY	25934460	182.42	22661373	140.57
			3883.43		2773.31
Trade Receivables	GBP	2042318	1912.75	1941242	1759.90
			1912.75		1759.90
Unhedged Foreign Currency Exposures:					
Trade Payables	EURO	3007656	2506.29	2244621	1738.34
	USD	1307150	988.07	1036259	716.16
	GBP	2632	2.46	9555	8.66
	AED	89551	18.43	99991	18.82

Notes to the standalone financial statements
for the period ended 31st March, 2020

Particulars	Currency	31 March, 2020		31 March, 2019	
		Foreign Currency	₹ in lakh	Foreign Currency	₹ in lakh
	SGD	-	-	9848	5.02
			3515.25		2487.00
Advance to Vendors	EURO	34087	28.40	14010	10.85
	USD	115399	87.23	-	-
			115.63		10.85
Trade Receivables	EURO	3683123	3069.16	3478964	2694.27
	USD	2032156	1536.11	1928282	1332.64
			4605.27		4026.91
Advance from Customers	USD	195929	148.10	11466	7.92
	EURO	17106	14.25	14749	11.42
			162.35		19.34

39.4 Credit Risk

Credit Risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. Trade Receivables are impaired using the Life time Expected Credit Losses (ECL) Model. The company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates.

Financial Assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments in normal course of business. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

Financial assets where Life time Expected Credit Losses (ECL) is used:

₹ in lakh

	31 March, 2020	31 March, 2019
Trade Receivables	12219.29	14651.32
Less : Expected Credit Loss	102.32	744.01
Trade Receivables	12116.97	13907.31

39.5 Liquidity Risk

Liquidity Risk is the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's corporate finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are reviewed by the Board of Directors. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financial Liabilities as reported in the Balance Sheet are segregated into current and non-current. Non-current financial liabilities have a maturity period of more than one year, whereas the current financial liabilities have maturities within one year.

39.6 Capital Management

For the purposes of Company's Capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The company monitors capital using debt/equity ratio, which is total debt divided by total equity.

Notes to the standalone financial statements
for the period ended 31st March, 2020

₹ in lakh

	31 March, 2020	31 March, 2019
Total Debt	25050.00	23769.67
Total Equity	49061.55	41617.49
Debt/Equity Ratio	0.51	0.57

40. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidated sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, working capital loans from banks approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial instruments other than above are carried at amortised cost except certain assets which are carried at fair value.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable.

Level 3 : Techniques using inputs having significant effect on the recorded fair value that are not based on observable market data.

₹ in lakh

	31 March, 2020	31 March, 2019
Financial assets at amortised cost:		
Investments	7057.00	2412.21
Loans - Non-current	218.61	555.83
Trade Receivables (Non Current)	58.14	-
Trade Receivables	12058.83	13907.31
Cash and Cash Equivalents	2496.80	604.26
Bank Balances other than above	32.65	39.15
Loans - Current	89.78	79.35
Total	**22011.81**	**17598.11**
Financial assets at fair value through profit and loss:		
Derivative - current - Level 2	-	-
Total Financial Assets	**22011.81**	**17598.11**
Financial liabilities at amortised cost:		
Borrowings - Non-current	8200.00	7265.00
Other Financial Liabilities - Non-current	4690.02	440.64
Borrowings - Current	13300.00	12695.39
Trade Payables	16532.17	15249.15
Other Financial Liabilities - Current	4570.85	3904.74
Total	**47293.04**	**39554.92**
Financial Liabilities at fair value through profit and loss:		
Derivative - current - Level 2	-	-
Total Financial Liabilities	**47293.04**	**39554.92**

41. FLUCTUATION IN LONG TERM FOREIGN CURRENCY MONETARY ITEMS

The Company has continued to exercise the option available to it under paragraph 46A to the Accounting Standard 11 "The effect of change in Foreign Exchange rate" as inserted by of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to "Long Term Foreign Currency Monetary Items" according to exemption under para D13AA of Ind-AS 101 "First-time Adoption of Indian Accounting Standards". Accordingly, it has adjusted a loss/(gain) of ₹ Nil lakh (Previous year loss ₹21.09 lakh) during the period to the cost of its fixed assets on account of such difference arising during the current period and has provided for depreciation thereon over the balance useful life of the respective assets. Consequently, the charge to the Statement of Profit and Loss is effected to that extent. This loss/(gain) is on External Commercial Borrowing which was fully repaid in July 2018.

42. TAXATION

A firm of Independent Accountants have certified that the Company's international and specified domestic transactions covered by transfer pricing regulations during the financial year ended 31 March, 2019 were at arm's length. The Management believes that during the current financial year, similar transactions would have no impact on these financial statements and particularly the amount of tax expense and the provision for taxation.

43. INFORMATION REGARDING MICRO, SMALL AND MEDIUM ENTERPRISES

Based on the information /documents available with the Company, information as per the requirements of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

₹ in lakh

		31 March, 2020	31 March, 2019
i)	Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance).	325.77	234.82
ii)	Interest due on above	-	-
	Total of (i) & (ii)	325.77	234.82
iii)	Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act.	-	-
iv)	Amount paid to the suppliers beyond due date during the year	-	-
v)	Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-
vi)	Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
vii)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

44. RIGHT TO USE ASSETS/LEASE LIABILITY

a. Right to Use

The Company has created following Right of Use Assets as under as per Para C8 (b) (i) of Ind AS-116 by applying Modified Retrospective Method as prescribed in Para C5 of the standard;

₹ in lakh

Particulars	31 March, 2020
Addition during the FY 2019-20	7968.02
Depreciation Charged	977.68
Carrying amount as at March 31, 2020	6990.34
Cash Flow for leases	581.69

Notes to the standalone financial statements
for the period ended 31st March, 2020

b. Maturity Analysis of Lease Liabilities as required by Para 58 of Ind AS-116 has been disclosed as follow:

₹ in lakh

Period	31 March, 2020
0-1 year	1011.43
1-5 year	2668.92
More than 5 year	1850.70

c. The Company has elected Para 6 of Ind AS-116 for short term leases & recognised lease expense of ₹70.24 lakh associated with these lease.

d. The Company has recognised Interest expenses of ₹450.81 lakh on Lease Liabilities during the year.

e. Lease contracts entered by the Company majorly pertain for Land and office Building taken on lease to conduct its business in the ordinary course of business.

f. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

g. The weighted average incremental borrowing rate of 8% has been applied to lease liabilities recognised in the Balance Sheet at the date of initial application.

h. The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS-116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

i. The Company has elected not to apply the requirements in Para C8 to leases for which the lease term ends within 12 months of the date of initial application as per practical expedient available under Para C10 of this standard.

45. DISTRIBUTION MADE AND PROPOSED DIVIDEND

₹ in lakh

	31 March, 2020	31 March, 2019
Cash dividend on equity shares declared and paid		
Final dividend for the year ended on 31 March 2019:		
₹3.00 per share (31 March 2018: ₹2.50)	724.09	603.41
Dividend distribution tax on final dividend	2.33	124.03
Total dividend paid	726.42	727.44
Interim dividend for the year ended on 31 March 2020:		
₹4 .00 per share (31 March 2019: Nil)	965.46	-
Dividend distribution tax on Interim dividend	-	-
	965.46	-
Proposed dividend on Equity shares		
Interim dividend for the year ended on 31 March 2019		
₹3 per share (31 March 2018: ₹2.50)	-	724.09
Dividend distribution tax on final dividend	-	148.84
Total dividend proposed	-	872.93

Notes to the standalone financial statements

for the period ended 31st March, 2020

46. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects the carrying amount of these assets will be recovered and does not anticipate any impairment to its financial and non-financial assets . Given the uncertainty because of COVID-19, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions.

47. The figures for the previous period are re-classified/ re-arranged / re -grouped, wherever necessary so as to be in conformity with the figures of the current period's classification/disclosure.

As per our annexed report of even date
For S.S.Kothari Mehta & Company
Chartered Accountants
ICAI Firm Reg. No. 000756N

(Naveen Aggarwal)
Partner
Membership No. 094380

Place of Signature : New Delhi
Dated : 19th June, 2020

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

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Parul Mittal
Wholetime Director
(DIN : 00348783)

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & VP - Legal

Independent Auditors' Report

To
The Members
Greenlam Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Greenlam Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprising the Consolidated Balance Sheet as at March 31, 2020, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "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 other auditors on separate financial statements and on the other financial information of the subsidiaries, 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 Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, of consolidated profit and total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us & other auditors in terms of their reports and information provided for management certified financial statements/ results for one its subsidiary as referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to note no 45 on the Statement, which describes the uncertainties and the impact of Covid-19 pandemic on the Group's operations, and results as assessed by the management. Due to Covid-19 related lock-down restriction imposed by the Govt., physical verification of inventory at plant was carried out by the management of the Holding Company near to year-end. Our attendance at the physical Inventory verification done by the management the Holding Company was impracticable under such lock-down restrictions imposed by the Government. Consequently, we have performed alternative audit procedures to obtain comfort over the existence and condition of inventory the Holding Company at the year-end as per the guidance provided by SA 501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence.

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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Recognition of Revenue (In respect of Holding Company) The Company recognizes revenue at the point in time when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. In determining the transaction price for the sale, the Company considers the effects of variable consideration and consideration receivable from the customer. For the year ended March 31, 2020, the Company's Statement of Profit & Loss included Sales of ₹117719.01 lakh. Some terms of sales arrangements are governed by Incoterms, including the timing of transfer of control. The nature of rebates, discounts and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognized in the correct period or that revenue and associated profit is misstated. Refer to Accounting policies Note 1.09 and Note No. 24 of the standalone Financial Statements.	Principal Audit Procedures • We performed process walkthrough to understand the adequacy and the design of the revenue cycle. We tested internal controls in the revenue and trade receivables over the accuracy and timing of revenue accounted in the financial statements. • Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company. • We reviewed the revenue recognition policy applied by the Company to ensure its compliance with Ind-AS 115 requirements. • We checked the contracts of customers along with revenue recognition policy applied by the Company to ensure satisfaction of performance obligation upon transfer of control of products to customer at a point in time. Our checking procedure includes consideration of the accounting and presentation of the rebates and discount arrangements. • In addition to substantive analytical reviews performed to understand how the revenue has trended over the year, we performed a detailed testing on transactions around the year-end, ensuring revenues were recognised in the correct accounting period. We also tested journal entries recognised to revenue focusing on unusual or irregular transactions. • We validated the appropriateness and completeness of the related disclosures in Note No. 24 of the Standalone 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 preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements.

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS. 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.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of their respective Company included in 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company & one subsidiary company incorporated in India (based on the auditors report of the auditors of the subsidiary 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 an opinion on the consolidated financial statement. 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 other

entities included in the consolidated financial statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

We did not audit the financial statements of seven subsidiaries/step down subsidiaries, whose financial statements reflect total assets of ₹19,556.83 lakh as at March 31, 2020, total revenues of ₹43,633.05 lakh and net cash flows amounting to ₹122.06 lakh, Profit after Tax of ₹1,336.91 lakh and total Comprehensive Income of ₹1,193.60 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries/step down subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary based solely on the reports of the other auditors.

We did not audit the financial information of one subsidiary whose financial statements reflect total assets of ₹154.01 lakh as at March 31, 2020, total revenues of ₹136.71 lakh and net cash flows amounting to ₹3.92 lakh, Profit after Tax of ₹20.50 lakh and total Comprehensive Income of ₹20.50 lakh for the year ended on that date, as considered in the consolidated financial statements. This unaudited financial information has been furnished to us by the Board of Directors and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary based solely on the unaudited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Further, all subsidiaries/ step down subsidiaries which are located outside India, whose annual financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors under generally accepted accounting principles applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the audit report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the Consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial statements certified by the Board of Directors.

The comparative financial information for the year ended 31st March 2019 which were audited by predecessor auditor, whose report dated May 30, 2019 expressed an unmodified opinion on those audited Consolidated financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report, that:

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

   (b) In our opinion, proper books of account as required by law relating to 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 the other auditors.

   (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the Consolidated statement of change in equity and the consolidated statement of cash flow dealt with by this report are in agreement with the relevant books of account and records 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 relevant rules made thereunder.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India none of the directors is disqualified as on March 31, 2020 from being appointed as a director of that company in terms of sub-section 2 of Section 164 of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Holding Company and Its subsidiary Company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

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

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the 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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group refer to Note 36 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.

      iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. Further there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India.

For S S KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm Registration Number: 000756N

NAVEEN AGGARWAL
Partner
Membership Number: 094380
UDIN 20094380AAAADQ8957

Place: New Delhi
Date: June 19, 2020

"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Greenlam Industries Limited.

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Greenlam Industries Limited ('the Holding Company') and its subsidiary Greenlam South Limited, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Company's internal financial controls with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 Holding Company and its Subsidiary Company which was incorporated in India have maintained, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to subsidiary, which is company incorporated in India, is based on the corresponding reports of the auditors of such Company.

For S S KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm Registration Number: 000756N

NAVEEN AGGARWAL
Partner

Place: New Delhi — Membership Number: 094380
Date: June 19, 2020 — UDIN 20094380AAAADQ8957

Consolidated Balance Sheet as at 31st March, 2020

₹ in lakh

	Note No.	31 March, 2020	31 March, 2019
ASSETS :			
Non-current Assets			
Property, Plant and Equipment	1	41845.55	32582.23
Capital Work-in-Progress	2	1493.40	1898.76
Goodwill	3	320.96	62.56
Other Intangible Assets	3	705.89	387.55
Intangible Assets under Development	2a	176.72	273.10
Financial Assets			
Investments	4	1.25	1.25
Loans	5	582.75	654.14
Trade Receivables	8a	58.14	-
Deferred Tax Assets	18b	1034.67	1153.36
Other Non-current Assets	6	334.57	2147.48
Total Non-current assets		46553.90	39160.43
Current Assets			
Inventories	7	37103.19	30754.87
Financial Assets			
Trade Receivables	8	13779.68	17662.29
Cash and Cash Equivalents	9a	3041.49	1023.01
Bank Balances other than above	9b	32.65	39.15
Loans	10	89.90	85.97
Current Tax Assets (Net)	11	351.54	361.10
Other Current Assets	12	10459.07	4803.77
Total Current assets		64857.52	54730.16
Total Assets		111411.42	93890.59
EQUITY AND LIABILITIES:			
Equity:			
Equity Share Capital	13	1206.82	1206.82
Other Equity	14	48860.36	41634.39
Non Controlling Interest		10.90	9.84
Total Equity		50078.08	42851.05
Liabilities:			
Non-current Liabilities :			
Financial Liabilities			
Borrowings	15	8200.00	7265.00
Other Financial Liabilities	16	5279.48	440.64
Provisions	17	2144.26	1618.99
Deferred Tax Liabilities	18a	2447.90	3161.84
Total Non-current liabilities		18071.64	12486.47
Current Liabilities			
Financial Liabilities			
Borrowings	19	17666.32	15896.59
Trade Payables	20		
-Total O/s Dues of Micro and Small Enterprises		325.77	234.82
-Dues O/s Dues of Other than Micro and Small Enterprises		17120.26	15890.33
Other Financial Liabilities	21	5988.74	4527.94
Other Current Liabilities	22	1904.19	1659.74
Provisions	23	169.17	209.57
Current Tax Liabilities (Net)	24	87.26	134.08
Total Current liabilities		43261.70	38553.07
TOTAL		111411.42	93890.59
Significant Accounting Policies			
See Accompanying Notes on Financial Statements	1 to 47		

As per our annexed report of even date
For **S.S.Kothari Mehta & Company**
Chartered Accountants
ICAI Firm Reg. No. 000756N

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

(Naveen Aggarwal)
Partner
Membership No. 094380

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Parul Mittal
Wholetime Director
(DIN : 00348783)

Place of Signature : New Delhi
Dated : 19th June, 2020

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & VP - Legal

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2020

₹ in lakh

	Note No.	Year Ended 31 March, 2020	Year Ended 31 March, 2019
INCOME:			
Sale of Products		126503.26	123610.79
Other Operating Revenue		5555.24	4460.17
Revenue from Operations	25	132058.50	128070.96
Other Income	26	441.74	152.26
Total Income		132500.24	128223.22
EXPENSES:			
Cost of Materials Consumed	27	68444.31	69312.48
Purchase of stock in trade	28	2151.71	1329.28
Changes in Inventories of Finished Goods,			
Stock in Process and Stock in Trade	29	(3556.49)	(1863.56)
Employees Benefits Expense	30	22195.58	19245.29
Finance Costs	31	2183.67	1696.14
Depreciation and Amortization Expense	32	5249.24	3683.96
Other Expenses	33	24998.73	24194.56
Total Expenses		121666.75	117598.14
Profit before Tax		10833.49	10625.07
Tax Expense			
Current Tax		2850.29	2887.21
		2850.29	2,887.21
Income tax for earlier years		(140.35)	
Deferred Tax		(543.76)	26.63
Tax Expenses	34	2166.18	2913.84
Profit for the Year		8667.31	7711.23
Profit or loss, attributable to Non Controlling Interests		0.54	-
Profit or loss, attributable to Owners		8666.76	7711.23
Other Comprehensive Income			
Items that will be reclassified to profit or loss:			
Exchange rate difference on Consolidation		377.33	186.76
Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss) on defined benefit plans		(169.43)	88.17
Income tax relating to items that will not be reclassified to profit or loss		42.64	(30.81)
Other Comprehensive Income, net of tax		250.54	244.12
Total Comprehensive Income for the year, net of Tax		8917.85	7955.35
Comprehensive Income, attributable to Non Controlling Interest		0.13	0.00
Comprehensive Income, attributable to Owners		8917.18	7955.35
Earnings per Equity Share Face Value ₹5 Each			
Basic and Diluted	35	35.91	31.95
Significant Accounting Policies			
See Accompanying Notes on Financial Statements	1 to 47		

As per our annexed report of even date
For **S.S.Kothari Mehta & Company**
Chartered Accountants
ICAI Firm Reg. No. 000756N

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

(Naveen Aggarwal)
Partner
Membership No. 094380

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Parul Mittal
Wholetime Director
(DIN : 00348783)

Place of Signature : New Delhi
Dated : 19th June, 2020

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & VP - Legal

Consolidated Cash Flow Statement for the period ended 31st March, 2020

₹ in lakh

	Year Ended 31 March, 2020	Year Ended 31 March, 2019
A. Cash flows from operating activities		
Profit before Tax	10833.49	10625.07
Adjustments for:		
Depreciation and Amortisation Expense	5249.24	3683.96
Finance Costs	2183.67	1696.14
Liabilities no longer required written back	57.11	81.23
Loss on Sale / Discard of Property, Plant & Equipment	79.34	2.07
Effect of Exchange Rate Changes	264.53	188.58
Unrealised Foreign Exchange Fluctuations	185.97	33.18
Bad Debts/Provision for Doubtful Debts	7.32	314.65
Interest Income	(91.89)	(30.90)
Re-measurement gain/(loss) on defined benefit plans	(169.43)	88.17
	7765.86	6057.08
Operating cash flows before working capital changes	18599.35	16682.15
Working capital adjustments:		
(Increase) / Decrease in Trade and Other Receivables	(1226.88)	(3085.35)
(Increase) / Decrease in Inventories	(6348.32)	(5126.35)
(Decrease) / Increase in Trade Payables	1768.06	1400.52
	(5807.14)	(6811.18)
Cash Generated from Operations	12792.21	9870.97
Income Tax Paid	(2982.52)	(3460.25)
Net cash from operating activities	9809.69	6410.72
B. Cash flows from investing activities		
Acquisition of Fixed Assets	(5876.79)	(5788.63)
Sale of Fixed Assets	199.46	48.13
Investment	-	(1.25)
Interest Received	91.89	30.90
Net Cash used in Investing Activities	(5585.44)	(5710.85)
C. Cash flows from financing activities		
Proceeds from Long Term Borrowings	5393.33	3000.00
Short Term Borrowings (Net)	1769.73	2936.15
Lease Liability	(758.02)	-
Deferred Payment Liability	-	(5.38)
Repayment of Long Term Borrowings	(4717.61)	(4129.15)
Interest Paid	(2201.32)	(1681.96)
Dividend & Corporate Dividend Tax Paid	(1691.88)	(727.44)
Net Cash used in Financing Activities	(2205.77)	(607.78)
Net Increase / (Decrease) in Cash and Cash Equivalents	2018.48	92.09
Add : Balance at the beginning of the year	1023.01	930.91
Cash / Cash Equivalents at the close of the Year	3041.49	1023.01

Consolidated Cash Flow Statement for the period ended 31st March, 2020

Non Cash Changes in Liabilities arising from financing activities

₹ in lakh

Particulars	As at 31 March , 2019	Cash Flows	Non Cash Change	As at 31 March , 2020
Long Term Borrowings	11074.28	675.72	-	11750.00
Short Term Borrowings	15896.59	1769.73	-	17666.32
Lease Liability	-	(758.02)	7099.19	6341.17
Interest Accrued	19.91	(2201.32)	2183.67	2.26
Dividend & Corporate Dividend Tax Paid	1.18	(1691.88)	1697.83	7.13

₹ in lakh

Particulars	As at 1 April , 2018	Cash Flows	Non Cash Change	As at 31 March , 2019
Long Term Borrowings	12203.57	(1129.29)	-	11074.28
Short Term Borrowings	12960.44	2936.15	-	15896.59
Interest Accrued	5.73	(1681.96)	1696.14	19.91
Dividend & Corporate Dividend Tax Paid	0.67	(727.44)	727.95	1.18

Notes:

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

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

(iii) Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management

(iv) Figures in brackets indicate cash outflows.

As per our annexed report of even date
For **S.S.Kothari Mehta & Company**
Chartered Accountants
ICAI Firm Reg. No. 000756N

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

(Naveen Aggarwal)
Partner
Membership No. 094380

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Parul Mittal
Wholetime Director
(DIN : 00348783)

Place of Signature : New Delhi
Dated : 19th June, 2020

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & VP - Legal

Consolidated Statement of Changes in Equity

for the period ended 31st March, 2020

A) Equity Share Capital

For the year ended 31st March, 2020	₹ in lakh
Balance as at 1st April 2019	1206.82
Changes in equity share capital during the year	-
Balance as at 31st March 2020	**1206.82**

For the year ended 31st March, 2019	₹ in lakh
Balance as at 1st April 2018	1206.82
Changes in equity share capital during the year	-
Balance as at 31st March 2019	**1206.82**

B) Other Equity

For the year ended 31st March, 2020 ₹ in lakh

Particulars	Reserves and Surplus			
	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April 2019	15020.44	2000.00	24613.95	**41634.39**
Profit for the year	-	-	8666.76	**8666.76**
Profit Attributable to NCI			0.54	**0.54**
Dividend on Equity Shares	-	-	(1689.55)	**(1689.55)**
Tax on Distribution of Dividend	-	-	(2.33)	**(2.33)**
Transferred from Statement of Profit and Loss	-	500.00	-	**500.00**
Transferred to General Reserve	-	-	(500.00)	**(500.00)**
Other Comprehensive Income/(loss) for the year:				
- OCI Attributable to Owner	-	-	250.41	**250.41**
- OCI Attributable to Minority			0.13	**0.13**
Balance as at 31st March 2020	**15020.44**	**2500.00**	**31339.92**	**48860.36**

For the year ended 31st March, 2019 ₹ in lakh

Particulars	Reserves and Surplus			
	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April 2018	15020.44	1500.00	17886.04	**34406.48**
Profit for the year	-	-	7711.23	**7711.23**
Dividend on Equity Shares	-	-	(603.41)	**(603.41)**
Tax on Distribution of Dividend	-	-	(124.03)	**(124.03)**
Transferred from Statement of Profit and Loss	-	500.00	-	**500.00**
Transferred to General Reserve	-	-	(500.00)	**(500.00)**
Other Comprehensive Income/(loss) for the year:				
- OCI Attributable to Owner	-	-	244.12	**244.12**
- OCI Attributable to Minority			-	-
Balance as at 31st March 2019	**15020.44**	**2000.00**	**24613.95**	**41634.39**

As per our annexed report of even date
For **S.S.Kothari Mehta & Company**
Chartered Accountants
ICAI Firm Reg. No. 000756N

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

(Naveen Aggarwal)
Partner
Membership No. 094380

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Parul Mittal
Wholetime Director
(DIN : 00348783)

Place of Signature : New Delhi
Dated : 19th June, 2020

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & VP - Legal

Significant Accounting Policies for Consolidated Financial Statement for the period ended 31st March, 2020

1. COMPANY OVERVIEW, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

I CORPORATE INFORMATION:

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

Holding Company is engaged in the business of manufacturing laminates, decorative veneers , Engineered Wood Flooring, Engineered Door Sets & Door Leaf and allied products through its factories at Behror and Nalgarh and branches and dealers' network spread all over the country. It has two wholly owned subsidiary companies operating in overseas countries, viz.,Greenlam Asia Pacific Pte Ltd and Greenlam America Inc. During the current year it has formed a new subsidiary named Greenlam South Ltd for the purpose of setting up a new manufacturing plant in Naidupeta, Nellore district , Andhra Pradesh. It imports raw materials for manufacturing. Manufactured goods are sold both in domestic and overseas markets. The overseas subsidiaries of the Holding Company are mainly engaged in marketing and distribution of the Holding Company's product.

II BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS:

a. STATEMENT OF COMPLIANCE

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

These Consolidated financial statements for the year ended 31st March, 2020 are authorized for issue in accordance with a resolution of the Directors on 19th June ,2020

COMPANIES INCLUDED IN CONSOLIDATION :

Greenlam Asia Pacific Pte Ltd. (Formerly: Gil Intercontinental Pte. Ltd.), Singapore and its Five step down subsidiaries viz. Greenlam Asia Pacific (Thailand) Co. Ltd., Thailand, Greenlam Holding Co. Ltd., Thailand, PT. Greenlam Asia Pacific, Indonesia , Greenlam Europe (UK) Ltd, United Kingdom and Greenlam Decolan SA, Chiasso, Switzerland and Greenlam America Inc., Florida (U.S.A), continued to be the wholly-owned subsidiaries of the Holding Company, Greenlam Decolan SA and Greenlam Europe(UK) Ltd is an wholly owned subsidiary of Greenlam Asia Pacific Pte Ltd and minority interest in the step-down subsidiaries viz. Greenlam Asia Pacific (Thailand) Co. Ltd., Greenlam Holding Co. Ltd. and PT. Greenlam Asia Pacific. is 2.5%, 1% and 1% respectively and Greenlam South Ltd. The Holding Company and its subsidiaries are together herein referred as "the Group"

b. BASIS OF CONSOLIDATION:

The consolidated financial statements comprise the financial statements of the Group as at 31 March 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee.

The consolidated financial statements of the parent and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. Intragroup balances and intragroup transactions and resulting unrealized profits (losses) are eliminated in full. Consolidated financial statements are prepared using uniform accounting policies for the like transactions and other events in similar circumstances.

Non-controlling Interest represents the equity in a subsidiary not attributable, directly or indirectly to a Parent. Non-controlling interest in the net assets of the subsidiaries being consolidated is identified and presented in the consolidated Balance Sheet separately from the equity attributable to the Parent's shareholders and liabilities. Profit or loss and each component of other comprehensive income are attributed to Parent and to the non-controlling interest. Impact of any insignificant and immaterial Non-Controlling Interest is not considered.

The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

In the Group's financial statements, all assets, liabilities and transactions of the Group entities with functional currency other than the Indian Rupee are translated into Indian Rupee upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period. On consolidation, assets and liabilities have been translated into Indian Rupee at the closing rate at the reporting date. Income and expenses have been translated into Indian Rupee at the average rate over the reporting period. The resulting exchange difference arising on translations are recognised in OCI and accumulated in other Equity, except to the extent that they are allocated to Non Controlling Interest.

BASIS OF MEASUREMENT

The Consolidated financial statements have been prepared under the historical cost basis, except for following assets and liabilities which have been measured at fair value.

a. Derivative Financial Instruments – Fair Value

b. Net Defined Benefits (Assets)/ Liability- Present value of Defined benefit obligations via actuarial valuation.

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

c FUNCTIONAL AND PRESENTATION CURRENCY

The Group's financial statements are presented in Indian Rupees ('INR') which is also the Holding Company's functional currency Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

d ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the Consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Consolidated financial statements and reported amounts of revenues and expenses during the period.

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

e. CURRENT OR NON CURRENT CLASSIFICATION

All Assets and Liabilities have been classified as current or non-current as per the Holding Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the business of the Holding Company and its business time cycle from inception of an order and its completion on realization in cash and cash equivalents, the Holding Company has ascertained the operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

Significant Accounting Policies for Consolidated Financial Statement for the period ended 31st March, 2020

III SIGNIFICANT ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in the Consolidated Financial Statements.

1.01 PROPERTY, PLANT AND EQUIPMENT:

1.01.01 Freehold Land is carried at cost and all other Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment acquired after the transition date are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, including import duties and non-refundable taxes, after deducting trade discounts, rebates, borrowing costs any other expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs of dismantling removing the item and restoring the site on which it was located under an obligation.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date attributable to bringing the item to working conditions for its intended use and estimated costs of dismantling the item and restoring the site on which it is located.. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

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

1.01.03 Depreciation commences when assets are available for there intended use. Property, Plant and Equipments including continuous process plants are depreciated and/or amortised on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013 except in case of assets costing less than ₹5000 which are depreciated over their useful life as assessed by the management. Assets are depreciated on Straight Line basis over there useful Life from the date they are available for use. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation in respect of additions to assets has been charged on pro-rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units. Where the historical cost of a depreciable asset undergoes a change due to increase or decrease in long term liability on account of exchange fluctuations, the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/ Loss on Sale and Discard of Fixed Assets.

1.01.04 Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :

Buildings - 30 to 60 years
Plant and Equipments -5-15 years
Furniture and Fixtures - 10 years
Vehicles - 8 to 10 years
Office Equipments - 3-10 years

Significant Accounting Policies for Consolidated Financial Statement for the period ended 31st March, 2020

Relating to Greenlam Asia Pacific Pte. Ltd.

Depreciation on fixed assets is calculated to write off the cost of the assets on a straight-line method over its estimated period of use.

Buildings - 15 years
Plant and Equipments - 3 to 15 years
Furniture and Fixtures - 3 to 15 years
Vehicles - 3 to 6 years
Office Equipments - 3 to 8 years

Relating to Greenlam America Inc.

Depreciation on fixed assets is provided for on Straight Line Method .

PT. Greenlam Asia Pacific

Depreciation is provided to write off the cost or valuation, less estimated residual value, of tangible assets over their expected useful economic lives, as follows:

Plant and Equipments - 3 to 8 years
Furniture and Fixtures - 3 years
Vehicles - 8 years
Office Equipments - 3 years

Relating to Greenlam Decolan SA

Depreciation of plant & equipment are calculated using the straight line method to allocate there depreciable amounts over the estimated useful lifes as follows:-

Motor Vehicle - 2.5 years
Computers - 2.5 years
Furniture and Fittings 4 years
Office Equipments - 3.33 years

1.01.05 Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. Buildings constructed on Right-of-use assets are depreciated based on the useful life prescribed in the Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

1.02 INTANGIBLE ASSETS:

1.02.01 Internally generated intangible asset under development stage is recognized when it is demonstrated that it is technically feasible to use the same and the cost incurred for developing the same is ascertained. Technical Know-how so developed internally is amortised on a straight- line basis over its estimated useful life.

Intangible assets acquired by payment e.g., Goodwill, Trademarks, Computer Software and Technical Know-how are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.

1.02.02 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.

Intangible assets are amortised on straight-line method as follows :

Trademarks – 5-10 years
Computer Software - 5 years
Technical Know-how - 3 years

Significant Accounting Policies for Consolidated Financial Statement for the period ended 31st March, 2020

1.02.03 An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss when the asset is derecognized

Intangible Assets under Development which are not ready for their intended use are shown Separately as part of Capital Work in Progress.

1.03 Impairment

1.03.01 **(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. 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.

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.

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

1.03.02 **(ii) Impairment of non-financial assets**

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g. corporate office for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro-rata basis.

An impairment loss in respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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 Holding Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in Consolidated Statement of profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

1.04 INVENTORIES:

1.04.01 The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

Stock of Raw Materials, Stores and spare parts are valued at lower of cost or net realisable value; and of those in transit and at port related to these items are valued at lower of cost to date or net realisable value. Obsolete, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

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

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

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

Waste and scraps are accounted at estimated realisable value.

Cost of inventories is ascertained on the 'weighted average' basis. Goods-in-process and finished goods are valued on absorption cost basis.

1.05 CASH FLOW STATEMENT:

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

Significant Accounting Policies for Consolidated Financial Statement for the period ended 31st March, 2020

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

1.06 MEASUREMENT OF FAIR VALUE

1.06.01 A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Holding Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

1.06.02 The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.07 FINANCIAL ASSETS:

1.07.01 The Group classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortised cost using effective interest rate method

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.

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 Company measures all equity instruments in subsidiaries at cost initially and also on subsequent recognition. Investment in preference shares of the subsidiary company are recognised at Fair Value through P&L Account at reporting date.

Trade receivables represent receivables for goods sold by the Group upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date. They are recognised initially and subsequently measured at amortised cost.

The Group assesses the expected credit losses associated with its assets carried at amortised cost. Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Group uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the provision for such impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to Profit and Loss.

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

1.07.02 FINANCIAL LIABILITIES:

Financial liabilities are classified as measured at amortised cost or FVTPL.

Borrowings are initially recognised and subsequently measured at amortised cost, net of transaction costs incurred. The transaction costs is amortised over the period of borrowings using the effective interest method in Capital Work in Progress upto the commencement of related Plant, Property and Equipment and subsequently under finance costs in profit and loss account.

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade Payables represent liabilities for goods and services provided to the Group upto to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially and subsequently measured at amortised cost.

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

Derivative financial instruments are in the nature of Forward contracts and Interest rate swaps. Forward contracts are executed to hedge the foreign exchange rate with respect to liabilities for goods and services in foreign currencies. Interest rate swaps are executed to hedge the interest rate with respect to borrowings in foreign currencies.

Derivative financial instruments are recognised initially and subsequently at fair value through mark to market valuation obtained from banking partners. Gain or loss arising from the changes in fair value of derivatives are debited to the foreign exchange fluctuations in the statement of profit and loss.

1.08 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 Holding Company.

1.09 REVENUE RECOGNITION:

1.09.01 Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Group which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Significant Accounting Policies for Consolidated Financial Statement for the period ended 31st March, 2020

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

Sale of Goods: Revenue from sales of goods is recognised on transfer of controls of products to the customers. Revenue does not include GST, inter-transfers, returns, trade discounts, cash discounts, other benefits passed to customers in kind.

The timing of transfers of controls varies depending on the individual terms of sale.

Arrangements with customers for selling of goods are all fixed price contracts. Revenue from Services are recognized as and when the services are rendered.

1.09.02 Other Revenue Streams

Interest: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividends: Dividend from investment is recognized when the Group in which they are held declares the dividend and when the right to receive the same is established.

Insurance Claims: Insurance Claims are accounted for on acceptance and when there is a reasonable certainty of receiving the same, on grounds of prudence.

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

Government Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group 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 Group 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.

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

1.10 FOREIGN CURRENCY TRANSACTIONS:

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Holding Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

The Holding Company has exercised the option available to it under Para 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to "Long Term Foreign Currency Monetary Items". On transition to Ind AS, aforesaid option is not available for loans availed after 1st April 2016.

The Company has exercised the option available to it under Para 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to "Long Term Foreign Currency Monetary Items". On transition to Ind AS, aforesaid option is not available for loans availed after 1st April 2016.

1.11 EMPLOYEE BENEFITS:

1.11.01 Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

1.11.02 Post Employment and Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

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

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Holding Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Holding Company has no further payment obligations once the contributions have been paid.

1.12 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. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of borrowings.

General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowings costs eligible for capitalisation.

Significant Accounting Policies for Consolidated Financial Statement for the period ended 31st March, 2020

All other borrowing costs are expensed in the period in which they are incurred.

1.13 SEGMENT REPORTING:

Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM assesses the financial performance and position of the Group, and makes strategic decisions. The CODM consists of Managing Director & CEO and Chief Financial Officer.

The Group's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing and Sale of (a) Laminate and Allied products; and (b) Veneer and Allied products.

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are (a) Sales within India include sales to customers located within India; (b) Sales outside India include sales to customers located outside India.

Common allocable costs are allocated to each segment according to the ratio of their respective turnover to the total turnover.

The Unallocated Segment includes general corporate income and expense items, which are not allocated to any business segment.

1.14 LEASES:

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

1.14.01 At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

1.14.02 The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.15 EARNINGS PER SHARE:

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.16 ACCOUNTING FOR TAXES ON INCOME:

Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

1.16.01 Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

1.16.02 Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.

Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

The Holding Company has applied the amendments prescribed under IND AS 12 from 1st April, 2019 and there was no impact of these amendments on the financial statements of the Holding Company.

1.17 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

1.17.01 Provisions are made when (a) the Group has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

1.17.02 Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.

Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of

Significant Accounting Policies for Consolidated Financial Statement for the period ended 31st March, 2020

economic benefits is probable.

1.18 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES:

New and amended standards

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet. Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor. The Group adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application being April 01, 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The Group recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. In accordance with the modified retrospective method of adoption, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability.

Refer note no. 43 for detailed impact on adoption of Ind AS 116 "Leases" on the consolidated financial statements of the Group.

Notes to the Consolidated financial statements for the period ended 31st March, 2020

1. PROPERTY, PLANT AND EQUIPMENTS

₹ in lakh

Particulars	Total as at 01/04/2019	Addition During The Year	Currency Translation Adjustment	Deduction During The Year	Total as at 31/03/2020	Total as at 01/04/2019	For The Year	Currency Translation Adjustment	Adjustment For Deductions	Total as at 31/03/2020	NET BLOCK As at 31/03/2020	NET BLOCK As at 31/03/2019
Property, Plant and Equipment												
Freehold Land	1094.20	-	-	-	1094.20	-	-	-	-	-	1094.20	1094.20
Land Development	603.11	-	-	-	603.11	19.13	9.37	-	-	28.51	574.60	583.98
Right to use Factory Land	-	1,575.72	-	-	1575.72	-	21.59	-	-	21.59	1554.13	-
Right to use (Other than Land)	-	7,375.77	-	-	7375.77	-	1,145.45	17.05	-	1,162.50	6213.27	-
Buildings	15114.43	60.26	132.74	89.42	15218.01	3920.61	551.50	87.46	22.85	4,536.72	10681.29	11193.82
Plant and Equipments	38401.30	2,592.48	7.61	163.86	40837.53	20539.19	2675.55	7.55	121.43	23,100.86	17736.67	17862.11
Furniture and Fixtures	1972.78	2,282.49	36.25	401.32	3890.20	1161.86	275.99	32.81	345.02	1,125.64	2764.56	810.92
Vehicles	1168.06	32.17	9.97	22.88	1187.32	518.57	123.15	10.15	19.34	632.53	554.79	649.49
Heavy Vehicles	14.31	-	-	-	14.31	12.76	0.16	-	-	12.92	1.39	1.55
Office Equipments	1652.26	462.46	37.24	37.26	2114.70	1266.10	228.65	35.27	85.97	1,444.05	670.65	386.16
Total	60020.45	14381.35	223.81	714.74	73910.87	27438.22	5031.42	190.29	594.62	32065.32	41845.55	32582.23

2. CAPITAL WORK IN PROGRESS

₹ in lakh

Particulars	Total as at 01/04/2019	Addition During The Year	Currency Translation Adjustment	Deduction During The Year	Total as at 31/03/2020	Total as at 01/04/2019	For The Year	Currency Translation Adjustment	Adjustment For Deductions	Total as at 31/03/2020	NET BLOCK As at 31/03/2020	NET BLOCK As at 31/03/2019
Capital Work In Progress	1898.76	1493.40	-	1898.76	1493.40	-	-	-	-	-	1493.40	1,898.76

2a. INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in lakh

Particulars	Total as at 01/04/2019	Addition During The Year	Currency Translation Adjustment	Deduction During The Year	Total As At 31/03/2020	Total as at 01/04/2019	For The Year	Currency Translation Adjustment	Adjustment For Deductions	Total as at 31/03/2020	NET BLOCK As at 31/03/2020	NET BLOCK As at 31/03/2019
Intangible Assets Under Development	273.10	176.72	-	273.10	176.72	-			-	-	176.72	273.10

3. OTHER INTANGIBLE ASSETS

₹ in lakh

Particulars	Total as at 01/04/2019	Addition During The Year	Currency Translation Adjustment	Deduction During The Year	Total as at 31/03/2020	Total as at 01/04/2019	For The Year	Currency Translation Adjustment	Adjustment For Deductions	Total as at 31/03/2020	NET BLOCK As at 31/03/2020	NET BLOCK As at 31/03/2019
Intangible Assets												
Goodwill	683.04	256.09	62.14	-	1001.27	620.48	-	59.83	-	680.31	320.96	62.56
Trademarks	68.58	-	-	-	68.58	68.58	-	-	-	68.58	-	-
Computer Software	817.48	536.15	-	-	1353.63	448.73	207.59	-	-	656.32	697.31	368.75
Technical Knowhow	334.91	-	-	-	334.91	316.11	10.23	-	-	326.34	8.57	18.80
Total	1904.01	792.24	62.14	-	2758.40	1453.90	217.82	59.83	-	1731.55	1026.84	450.11

1.1 Addition to Plant and Equipments includes loss/(gain) of ₹ Nil lakh (Previous year ₹21.09 lakh on account of fluctuation in Foreign Exchange Rates.

1.2 Title deed of One Office Premises of Gross Block ₹286.98 lakh and Net block of ₹216.64 lakh (Previous Year ₹221.14 lakh) is yet to be transferred in the name of the Parent company is included in the Building.

Notes to the consolidated financial statements

for the period ended 31st March, 2020

4. NON-CURRENT INVESTMENTS

₹ in lakh

	31 March, 2020	31 March, 2019
Investments in Equity Instruments (at Cost)		
Non-Trade		
Unquoted , Fully Paid up		
Other than Subsidiary	1.25	1.25
Total	1.25	1.25

	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of consolidated Net Assets	₹ in lakh	As % of consolidated Profit or Loss	₹ in lakh
Parent - Greenlam Industries Limited	97.99	49061.55	85.80	7435.83
Subsidiary (Foreign)				
Greenlam Asia Pacific, Singapore	(0.04)	(19.06)	9.95	862.17
Greenlam America Inc., USA	2.22	1112.33	5.27	456.40
Subsidiary (Domestic)				
Greenlam South Ltd	(0.18)	(87.64)	(1.01)	(87.64)
Total	100.00	50067.18	100.00	8666.76
Non Controlling Interest in Greenlam Asia Pacific	0.02%	10.90	0.00%	0.13

5. LOANS & ADVANCES

(Unsecured, Considered good)

₹ in lakh

	31 March, 2020	31 March, 2019
Security Deposits	582.75	654.14
Total	582.75	654.14

6. OTHER NON-CURRENT ASSETS

₹ in lakh

	31 March, 2020	31 March, 2019
Capital Advances	156.80	259.26
Prepaid Lease Rentals	-	1495.85
Prepaid Interest on Security Deposits	25.70	275.82
Other Security Deposit	152.07	116.55
Total	334.57	2147.48

7. INVENTORIES

(at lower of cost or net realisable value)

₹ in lakh

	31 March, 2020	31 March, 2019
Raw Materials	18321.96	17004.37
[including transit and at Customs Warehouse ₹591.12 lakh (Previous year ₹135.42 lakh)]		
Stock in Process	6362.21	4753.23
Finished Goods	10926.16	7632.64
[including in Transit ₹1403.77 lakh (Previous year ₹1854.29 lakh)]		
Stock In Trade	100.27	192.10
Stores & Spares	1392.59	1172.53
Total	37103.19	30754.87

Notes to the consolidated financial statements

for the period ended 31st March, 2020

8. TRADE RECEIVABLES

₹ in lakh

	31 March, 2020	31 March, 2019
Secured, considered good	301.36	797.88
Unsecured, considered good	13478.32	16864.41
Credit Impaired	102.32	745.43
	13882.00	18407.72
Less : Provision for Doubtful Trade Receivables		
Credit Impaired	102.32	745.43
	13779.68	17662.29
Net Trade Receivables	**13779.68**	**17662.29**
Of the above, Trade Receivable from Related parties		
Trade Receivable from related parties	**29.12**	**56.12**
Debts due by directors or other officers of the Holding company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a member	-	-

8a. TRADE RECEIVABLES (NON - CURRENT)

₹ in lakh

	31 March, 2020	31 March, 2019
Unsecured, considered good	58.14	-
	58.14	-

9. CASH & BANK BALANCES

₹ in lakh

		31 March, 2020	31 March, 2019
9a. Cash & Cash Equivalents			
Balances with Banks - on Current Accounts		3028.01	674.32
Cash on Hand		13.37	6.16
Cheque in Hand		0.11	342.53
	(A)	**3041.49**	**1023.01**
9b. Other Bank Balances			
Earmarked balance with Banks for Unpaid Dividend Accounts		7.13	1.18
Bank Deposits Due to Mature after 3 months of original maturities but within 12 months of reporting date*		25.52	37.97
	(B)	**32.65**	**39.15**
Total	(A+B)	**3074.14**	**1062.16**

*Pledged/lodged with various government authorities as security

10. LOANS - CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

₹ in lakh

	31 March, 2020	31 March, 2019
Advance to Employees		
Unsecured, considered good	89.90	85.97
Total	**89.90**	**85.97**

11. CURRENT TAX ASSETS (NET)

₹ in lakh

	31 March, 2020	31 March, 2019
Advance Payment of Income Tax (Less Provision)	351.54	361.10
	351.54	**361.10**

Notes to the consolidated financial statements

for the period ended 31st March, 2020

12 OTHER CURRENT ASSETS

₹ in lakh

	31 March, 2020	31 March, 2019
Advance to Others	302.26	226.76
Advance against Purchases	1,509.49	1,318.48
Balance with Government Authorities	647.66	211.83
Insurance Claim Receivable	137.47	128.63
GST/Excise Refund Receivable	124.28	112.04
Advance Payment of Entry Tax/Sales Tax	684.39	720.03
Export Incentive Receivable	1,486.46	806.82
Budgetary Support Under GST Regime Receivable	459.93	741.64
Prepaid Expenses	472.75	516.39
Advance for land	4,504.68	-
Prepaid Lease Rentals	-	21.15
Derivative Instruments-Mark to Market valuation	129.70	-
Total	**10,459.07**	**4,803.77**

13. EQUITY SHARE CAPITAL

	Number	31 March, 2020 ₹ in lakh	Number	31 March, 2019 ₹ in lakh
13.1 Authorised				
Equity Shares of ₹5 each	30000000	1500.00	30000000	1500.00
13.2 Issued, Subscribed and Fully Paid up				
Equity Shares of ₹5 each	24136374	1206.82	24136374	1206.82
13.3 The reconciliation of the number of shares outstanding				
Equity Shares at the beginning of the year	24136374	1206.82	24136374	1206.82
Add : Allotted during the year	-	-	-	-
Total	**24136374**	**1206.82**	**24136374**	**1206.82**

13.4 Terms/Rights attached to the Equity Shares

The Company has a single class of Equity Shares having a par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year, the amount of per share dividend recognized as distribution to equity shareholders was ₹3.00 (Previous year ₹2.50). And this year interim dividend distributed ₹4 per share (Previous year Nil)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. This distribution will be in proportion to the number of equity shares held by the shareholders.

13.5 Name of the Shareholders holding more than 5% Shares

	31 March,2020		31 March, 2019	
	Number	%	Number	%
EQUITY SHARES				
Greenply Leasing & Finance Pvt Ltd	9003511	37.30%	8966114	37.15%
Saurabh Mittal	3206534	13.29%	3206534	13.29%
Westbridge Crossover Fund LLC	1901342	7.88%	1901342	7.88%
HDFC Trustee Company Ltd	2174376	9.01%	2174376	9.01%
Ashish Dhawan	1362842	5.65%	1362824	5.65%

13.6 The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.

Notes to the consolidated financial statements

for the period ended 31st March, 2020

14. OTHER EQUITY

₹ in lakh

	31 March, 2020	31 March, 2019
Capital Reserve		
At the commencement of the year	15020.44	15020.44
	15020.44	15020.44
General Reserve		
Balance as per last Financial Statements	2000.00	1500.00
Add: Transferred from Statement of Profit and Loss	500.00	500.00
	2500.00	2000.00
Retained Earnings		
Retained Earnings other than OCI		
At the commencement of the year	24538.04	18054.26
Add : Net profit for the current year	8666.76	7711.23
Add : Net profit for the current year Attributable to NCI	0.54	-
Less : Transferred to General Reserve	500.00	500.00
Less : Dividend on Equity Shares & DDT	1,691.88	603.41
Add : Dividend from Subsidiaries	-	124.03
Total	31013.47	24538.04
Other Comprehensive Income (OCI)		
At the commencement of the year	75.90	(168.22)
Exchange Differences in translating financial statements of foreign operations	377.2	186.76
Remeasurement of the net defined benefit plans	(126.79)	
OCI Attributable to Minority	0.13	57.36
	326.45	75.90
	48860.36	41634.39

15. NON CURRENT FINANCIAL LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
BORROWINGS		
Secured		
Term Loans		
From Banks		
Rupee Loans	11750.00	11074.28
	11750.00	11074.28
Less : Current maturities of Long Term Borrowings*	3550.00	3809.28
	8200.00	7265.00

15.1 Term Loans of ₹11750.00 lakh availed by the Holding Company . Term Loans of ₹11750.00 lakh are secured by first pari-passu charge on all movable fixed assets of the Holding Company, present and future, first pari-passu charge on immovable fixed assets of the Holding Company's units at (a) Behror (Rajasthan) and (b) Nalagarh (Himachal Pradesh), and second pari-passu charge on all current assets of the Holding Company, present and future.

15.2 Terms of Repayment of Term Loans

₹ in lakh

	Repayment Schedule					
	2020-2021	2021-2022	2022-23	2023-2024	2024-2025	2025-2026
Term Loans from Banks						
Secured						
Equal Quarterly Installments	1250.00	-	-	-	-	-
Equal Quarterly Installments	1000.00	1000.00	750.00	-	-	-
Equal Quarterly Installments	1000.00	1000.00	1000.00	1000.00	750.00	-
Equal Quarterly Installments	300.00	600.00	600.00	600.00	600.00	300.00
	3550.00	2600.00	2350.00	1600.00	1350.00	300.00

* Represents Current Maturities of Long Term Borrowings.

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

Notes to the consolidated financial statements

for the period ended 31st March, 2020

16. NON CURRENT-OTHER FINANCIAL LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
Others		
Security Deposits from Customers	170.40	165.90
Liability for Right to Use	5109.08	-
Prepaid Interest on Security Deposit	-	274.74
Total	5279.48	440.64

17. NON CURRENT PROVISIONS

₹ in lakh

	31 March, 2020	31 March, 2019
Provisions for Employee Benefits		
Net defined benefit liability- Gratuity	1562.42	1134.04
Liability for compensated absences	581.84	484.95
Total	2144.26	1618.99

18. DEFERRED TAX LIABILITIES (NET)

₹ in lakh

	31 March, 2020	31 March, 2019
A. Deferred Tax Liabilities		
Property, Plant & Equipment	1985.18	2803.73
Others	462.72	358.11
Total	2447.90	3161.84
B. Deferred Tax Assets		
Provision for Gratuity/Liabilities	1034.67	1153.36

19. CURRENT FINANCIAL LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
BORROWINGS		
Secured		
Loans Repayable on Demand		
Working Capital Loans		
From Banks		
Foreign Currency Loans	3972.99	3201.20
Rupee Loans	11500.00	9045.39
	15472.99	12246.59
Unsecured		
Other Loans and advances		
From Banks	1500.00	3000.00
Channel Finance Assurance Facility	300.00	650.00
Others*	393.33	-
	2193.33	3650.00
Total	17666.32	15896.59

19.1 Working Capital Rupee Loans of ₹11500 lakh are secured by first pari-passu charge on all current assets of the Holding Company, present and future, second pari-passu charge on all movable fixed assets of the Holding Company, present and future and second pari-passu charge on immovable fixed assets of the Holding Company's units at (a) Behror (Rajasthan) and (b) Nalagarh (Himachal Pradesh).

Working Capital Foreign Currency Loans of ₹3972.99 lakh availed by Subsidiaries companies, Out of which ₹2526.20 availed by Greenlam Asia Pacific Pte Ltd , ₹936.56 availed by Greenlam Europe UK Ltd and ₹510.23 availed by Greenlam America Inc.

Working Capital Loans of ₹2526.20 lakh of Greenlam Asia Pacific Pte Ltd., are secured against first exclusive charge on all assets and accounts of the company and Corporate Guarantee of the Holding Company (USD 50 lakh) and 10% cash margin for LC facilities. The bills payable LC-DP/TR is secured by bank's lien over all assets of the Company for which a charge has been registered.

Notes to the consolidated financial statements
for the period ended 31st March, 2020

Working Capital Loans of ₹936.56 lakh of Greenlam Europe UK Ltd., are secured against Corporate Guarantee given by Holding Company (GBP 10 lakh).

Working Capital Loans of ₹510.23 lakh of Greenlam America Inc., are secured against SBLC given by the holding company (USD 10 lakh).

*The term loan represents financial assistance provided by Switzerland Government to all the business entities operating in Switzerland due to Covid 19 outbreak. The loan is fully secured by government guarantee, nominal interest and not repayable until the end of 5 years from the date of loan received.

20. TRADE PAYABLES

₹ in lakh

	31 March, 2020	31 March, 2019
Dues to Micro and Small Enterprises		
(to the extent identified with the available information)(Refer Note No 42)	325.77	234.82
Dues to Other than Micro and Small Enterprises	17120.26	15890.33
Total	17446.03	16125.15

21. OTHER FINANCIAL LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
Current maturities of Long Term Borrowings*	3550.00	3809.28
Unpaid Dividend	7.13	1.18
Interest Accrued but not due on borrowings	2.26	19.91
Derivative Instruments-Mark to Market valuation	-	74.37
Contract Liability	-	1.61
GST Payable	103.19	-
Liability for Right to Use	1232.09	-
Amount due to Capital Goods Vendors	584.48	481.31
Employee Payable	509.55	140.28
Others	0.03	-
Total	5988.74	4527.94

* The terms are stated in notes no 15.1 to 15.2

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

22. OTHER CURRENT LIABILITIES

₹ in lakh

	31 March, 2020	31 March, 2019
Advance from Customers	878.53	551.67
Statutory Dues	1025.66	1034.32
Provision for Cash Discount	-	73.75
Total	1904.19	1659.74

23. CURRENT PROVISIONS

₹ in lakh

	31 March, 2020	31 March, 2019
Provisions for Employee Benefits		
Net defined benefit liability- Gratuity	106.65	118.10
Liability for compensated absences	62.52	91.47
Total	169.17	209.57

24. CURRENT TAX LIABILITIES (NET)

₹ in lakh

	31 March, 2020	31 March, 2019
Provision for Taxation	87.26	134.08
Total	87.26	134.08

Notes to the consolidated financial statements
for the period ended 31st March, 2020

25. REVENUE FROM OPERATIONS

₹ in lakh

	31 March, 2020	31 March, 2019
Sale of Products	126503.26	123610.79
Other Operating Revenue		
Export Incentive	3797.76	3508.03
Budgetary Support Under GST Regime	136.57	632.67
Miscellaneous Income	1620.91	319.47
	5555.24	4460.17
Total	132058.50	128070.96

25.1 PARTICULARS OF SALE OF PRODUCTS

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Decorative Laminates	104981.21	102803.56
[including exports ₹54717.10 lakh (Previous year ₹49554.58 lakh)]		
Decorative Veneers	11114.33	12912.31
[including exports ₹108.10 lakh (Previous year ₹163.63 lakh)]		
Engineered Wood Flooring	4710.34	4011.17
[including exports ₹1372.76 lakh (Previous year ₹1001.08 lakh)]		
Melamine Faced Chipboards	1841.13	1005.18
Engineered Door Sets & Door Leaf	3269.83	2183.13
[including exports ₹580.00 lakh (Previous year ₹672.73 lakh)]		
Others	586.42	695.44
[including exports Nil (Previous year ₹1.92 lakh)]		
Total	126503.26	123610.79

26. OTHER INCOME

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Interest Income	91.89	30.90
Liabilities no longer required written back	57.11	81.23
Gain on Sale of Property, Plant & Equipment	-	13.94
Other Income	56.95	26.19
Gain due to Fluctuation in Foreign Exchange Rates	235.79	-
Total	441.74	152.26

27. COST OF MATERIALS CONSUMED

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Inventory of raw material at the beginning of the year	17004.37	14043.09
Add: Purchase	69761.90	72273.76
Less: Inventory of raw material at the end of year	18321.96	17004.37
Total	68444.31	69312.48

28. PURCHASE OF STOCK IN TRADE

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Purchase of Traded Goods	2151.71	1329.28
Total	2151.71	1329.28

Notes to the consolidated financial statements
for the period ended 31st March, 2020

29. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
OPENING STOCK (A)		
Finished Goods	7632.64	6457.08
Stock in Trade	192.10	340.35
Goods-in-Process	4753.23	3755.09
	12577.97	10552.52
CLOSING STOCK (B)		
Finished Goods	10926.16	7632.64
Stock in Trade	100.27	192.10
Goods-in-Process	6362.21	4753.23
Opening Inventory of Newly acquired Company Decolan	(1142.59)	-
Effect of foreign exchange fluctuations	(111.59)	(161.89)
Total	16134.46	12416.08
A-B	(3556.49)	(1863.56)

30. EMPLOYEES BENEFITS EXPENSE

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Salary, Wages and Bonus	20804.14	18051.41
Contribution to Provident Fund & Employees' State Insurance	882.99	785.02
Employees' Welfare Expenses	508.45	408.86
Total	22195.58	19245.29

30.1 DISCLOSURES REGARDING EMPLOYEE BENEFITS

i) **Defined Contribution Plan:** Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

ii) **Defined Benefit Plan:** Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

iii) Actuarial Valuation of Gratuity Liability

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
a) Defined Benefit Cost		
Current Service Cost	200.48	199.85
Interest Expense on Defined Benefit Obligation (DBO)	95.79	85.37
Defined Benefit Cost included in Profit and Loss	296.27	285.22
Remeasurement - Due to Financial Assumptions	155.51	(112.79)
Remeasurement - Due to Experience Adjustments	14.59	24.62
Defined Benefit Cost included in Other Comprehensive Income	170.10	(88.17)
Total Defined Benefit Cost in Profit and Loss and OCI	466.37	197.05
b) Movement in Defined benefit liability:		
Opening Defined Benefit Obligation	1252.14	1107.26
Interest Expense on Defined Benefit Obligation (DBO)	95.79	85.37
Current Service Cost	200.48	199.85
Total Remeasurement included in OCI	169.43	(88.17)

Notes to the consolidated financial statements
for the period ended 31st March, 2020

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Less: Benefits paid	(48.77)	(52.17)
Closing benefit obligation	1669.07	1252.14
Current Liabilities of Closing benefit obligation	106.65	118.10
Non-Current Liabilities of Closing benefit obligation	1562.42	1134.04
	1669.07	1252.14
c) Sensitivity Analysis:		
Under Base Scenario		
Salary Escalation - Increase by 0.50%	104.56	73.71
Salary Escalation - Decrease by 0.50%	(96.65)	(72.26)
Discount Rates - Increase by 0.50%	(95.09)	(70.61)
Discount Rates - Decrease by 0.50%	103.74	72.50
d) Actuarial assumptions:		
Mortality Table	IALM 2006-2008	IALM 2006-2008
Discount Rate (per annum)	6.80%	7.65%
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	5.50%	5.50%
Withdrawal rates:		
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

iv) Actuarial Valuation of Leave Encashment Liability :

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Defined Benefit Cost		
Current Service Cost	122.66	177.69
Interest Expense on Defined Benefit Obligation (DBO)	44.10	43.34
Defined Benefit Cost included in Profit and Loss	166.76	221.03
Remeasurement - Due to Financial Assumptions	62.11	(52.09)
Remeasurement - Due to Experience Adjustments	63.92	54.39
Defined Benefit Cost included in Other Comprehensive Income	126.03	2.30
Total Defined Benefit Cost in Profit and Loss and OCI	292.79	223.33
Movement in Defined benefit liability:		
Opening Defined Benefit Obligation	576.42	562.15
Interest Expense on Defined Benefit Obligation (DBO)	44.10	43.34
Current Service Cost	122.66	177.69
Total Remeasurement included in OCI	125.77	2.30
Less: Benefits paid	(224.59)	(209.06)
Closing benefit obligation	644.36	576.42
Current Liabilities of Closing benefit obligation	62.52	91.47
Non-Current Liabilities of Closing benefit obligation	581.84	484.95
	644.36	576.42
Sensitivity Analysis:		
Under Base Scenario		
Salary Escalation - Increase by 0.50%	41.59	34.46
Salary Escalation - Decrease by 0.50%	(38.29)	(31.77)
Discount Rates - Increase by 0.50%	(37.67)	(31.02)
Discount Rates - Decrease by 0.50%	41.27	33.91
Actuarial assumptions:		
Mortality Table	IALM 2006-2008	IALM 2006-2008
Discount Rate (per annum)	6.80%	7.65%
Expected rate of return on plan assets (per annum)	-	-
a) Rate of escalation in salary (per annum)	5.50%	5.50%

Notes to the consolidated financial statements
for the period ended 31st March, 2020

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Withdrawal rates:		
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Leave Availment Rate	4.00%	4.00%

v) Amount incurred as expense for defined contribution to Provident Fund is ₹634.21 lakh (Previous Year ₹572.80 lakh). The foregoing information related to Parent Company.

31. FINANCE COSTS

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Interest Expense	1687.46	1673.26
Interest Expense (Right to Use)	483.39	-
Other Borrowing Cost	12.82	22.88
Total	2183.67	1696.14

32. DEPRECIATION & AMORTISATION EXPENSE

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Depreciation of Property, Plant & Equipment	3864.39	3554.25
Depreciation (Right to Use)	1167.03	-
Amortisation of Intangible Assets	217.82	129.71
Total	5249.24	3683.96

33. OTHER EXPENSES

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Consumption of stores and spares	988.27	647.74
Power & Fuel	3376.93	3730.71
Rent	216.05	1195.70
Repairs to buildings	58.82	44.19
Repairs to machinery	611.37	876.78
Insurance	256.37	299.70
Rates and taxes	71.81	54.12
Travelling expenses	1871.24	1835.39
Freight & delivery expenses	2814.35	2816.18
Export Expenses	3484.24	3515.62
Advertisement & Sales promotion	6134.03	4231.97
Auditors' Remuneration	75.93	67.52
Secretarial Auditor's Remuneration	3.00	1.16
Expenditure on CSR Activities	167.56	151.14
Bad Debts	7.32	313.23
Provision for Doubtful Debts	-	1.42
Loss on Sale / Discard of Property, Plant & Equipment	79.34	16.01
Prior Period Expenses	2.65	-
Directors' Sitting Fees	21.50	11.00
Independent Directors' Commission	68.41	30.00
Amortisation of Prepaid Lease Rentals	-	21.15
Loss due to Fluctuation in Foreign Exchange Rates	-	163.63
Other General Expenses	4689.54	4170.20
Total	24998.73	24194.56

Notes to the consolidated financial statements
for the period ended 31st March, 2020

33.1 AUDITORS' REMUNERATION

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
As Auditors	74.70	66.00
For other services	1.23	1.52
Total	75.93	67.52

Note : Fees are exclusive of Goods & Services Tax

33.2 CONTRIBUTION FOR CSR ACTIVITIES

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
(a) Gross Amount required to be spent by the Holding Company during the year	167.52	150.89
(b) Amount spent during the year in Cash on :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above		
- Contribution towards Woman and Child Health Care	58.00	82.94
- Contribution towards Education of Orphan Girl Child	28.50	28.50
- Contribution towards Promotion of Education, Health and Livelihood	5.13	39.70
- Others	72.93	-
- Amount Provided for PM Cares Fund	3.00	-
	167.56	151.14

34. TAXATION

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Tax Expense recognised in the Statement of Profit and Loss:		
Current Tax Expense	2850.29	2887.21
Mat Credit Entitlement	-	-
Income Tax Expense	**2850.29**	**2887.21**
Earlier Years Tax Expense	(140.35)	-
Income Tax Expense including Earlier year tax	**2709.94**	**2887.21**
Release of Deferred Tax	(543.76)	26.63
Total Tax Expense in Statement of Profit and Loss	**2166.18**	**2913.84**
Reconciliation of Tax Expense recognised in the Statement of Profit and Loss:		
Profit before Tax as per Statement of Profit and Loss	10833.49	10625.07
Re-measurement gain/(loss) on defined benefit plans in OCI	(169.43)	(88.17)
Changes in Profit before tax due to Ind AS Transition	-	-
Accounting Profit before Tax	**10664.06**	**10536.90**
Applicable Income Tax rate	25.167%	34.944%
Computed Tax expense	2683.82	3682.02
Additional deductions for tax purpose	(9.74)	(479.31)
Expense not allowed for tax purpose	26.05	53.64
Timing difference of Depreciation	299.90	(153.19)
Timing difference of Liabilities	(848.24)	(0.61)
Effect of Diffential Tax rate under various jurisdiction	385.01	(215.33)
Earlier Years Tax Expense	(140.35)	-
Tax on Dividend Paid at Special Rate	313.50	-
Income Tax charged to Statement of Profit and Loss (A)	**2709.94**	**2887.21**
Reconciliation of Deferred Tax Liability:		
Timing difference of Depreciation	(711.88)	66.25
Timing difference of Liabilities	125.50	(8.81)
Deferred Tax in Statement of Profit and Loss	**(586.39)**	**57.44**
Timing difference of Liabilities in Other Comprehensive Income	42.64	(30.81)
Deferred Tax in Total Comprehensive Income (B)	**(543.76)**	**26.63**
Tax Expense recognised in Statement of Profit & Loss (A+B)	**2166.18**	**2913.84**
Effective Tax Rate	**20.31%**	**27.65%**

Notes to the consolidated financial statements

for the period ended 31st March, 2020

35. EARNINGS PER SHARE

₹ in lakh

	Year ended 31 March, 2020	Year ended 31 March, 2019
Calculation of weighted average number of equity shares of ₹5 each		
No of Shares at the beginning of the year	24136374	24136374
Total number of equity shares outstanding at the end of the year	24136374	24136374
Weighted average number of equity shares outstanding during the year	24136374	24136374
Net Profit (after tax, available for equity shareholders)	8666.76	7711.23
BASIC EARNINGS PER SHARE	35.91	31.95

36. CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Contingent liabilities

(a) Claims against the Holding company not acknowledge as debt:

₹ in lakh

	31 March, 2020	31 March, 2019
(i) Excise duty, sales tax and other indirect taxes in dispute	109.23	247.57
(ii) Consumer court cases in dispute	17.39	17.39
(iii) Other Cases	15.00	-

Notes:

i) Based on the discussion with the solicitors/favourable decisions in similar cases/legal opinion taken by the Company, the management believes that the Holding Company has a good chance of success in above mentioned cases and hence, no provision there against is considered necessary.

ii) The Holding Company does not expect any reimbursements in respect of the above contingent liabilities.

iii) Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

(b) Others:

₹ in lakh

	31 March, 2020	31 March, 2019
a Letters of Credit established but Goods not received	4330.20	2131.79

Commitments

₹ in lakh

	31 March, 2020	31 March, 2019
a. Estimated pending Capital contract (Net of Advance)	2602.97	1321.77
b. Uncalled liability on shares and other investments which are partly paid	-	-
c. Other commitments	-	-

37. SEGMENT REPORTING

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company. As part of Secondary reporting, revenues are attributed to geographical areas based on the location of the customers. The following table present the revenue, profit, assets and liabilities information relating to the business / geographical segment for the year ended 31st March, 2020

Information about Business Segments - Primary

₹ in lakh

Reportable Segment	Laminate & Allied Products		Veneer & Allied Products		Un Allocated		Total	
	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019
REVENUE								
External Sales	107345.48	104454.00	19157.78	19156.79	-	-	126503.26	123610.79
Inter-segment Sales	-	-	-	-	-	-	-	-
Gross Sales	107345.48	104454.00	19157.78	19156.79	-	-	126503.26	123610.79

Notes to the consolidated financial statements

for the period ended 31st March, 2020

₹ in lakh

Reportable Segment	Laminate & Allied Products		Veneer & Allied Products		Un Allocated		Total	
	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019
Other Operating Income	4878.42	3997.73	676.82	462.44	-	-	5555.24	4460.17
Revenue from Operation	112223.90	108451.73	19834.60	19619.23	-	-	132058.50	128070.96
RESULT								
Segment Result	18705.46	17405.33	195.12	1150.56	-	-	18900.58	18555.89
Unallocated Corporate Expenses					5975.31	6265.58	5975.31	6265.58
Operating Profit							12925.27	12290.31
Less : Interest Expense					2183.67	1,696.14	2183.67	1696.14
Add : Interest Income					91.89	30.90	91.89	30.90
Profit before Tax							10833.49	10625.07
Current Tax							2709.94	2887.21
Deferred Tax							(543.76)	26.63
Profit after Tax							8667.31	7711.23
Other Comprehensive Income							250.54	244.12
Total Comprehensive Income for the year, net of Tax							8917.85	7955.35
OTHER INFORMATION								
Segment Assets	65381.91	58179.48	26834.21	26618.17	19195.30	9092.94	111411.42	93890.59
Segment Liabilities	20041.67	14772.17	3031.99	3981.01	6395.47	2153.65	29469.13	20906.83
Loan Fund					29416.32	26970.87	29416.32	26970.87
Deferred Tax Liabilities					2447.90	3161.84	2447.90	3161.84
Non Controling Interest					10.90	9.84	10.90	9.84
Shareholders' Funds					50067.17	42841.21	50067.17	42841.21
Total Liabilities							111411.42	93890.59

Secondary Segment - Geographical by location of customers

₹ in lakh

	Revenue		Carrying Amount of Segment Assets		Additions to Fixed Assets	
	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019	For The Year Ended 31.03.2020	For The Year Ended 31.03.2019
Within India	69725.30	72212.01	103322.91	87288.71	5415.85	5660.55
Outside India	56777.96	51398.78	8088.51	6601.88	460.94	128.08
	126503.26	123610.79	111411.42	93890.59	5876.79	5788.63

NOTES:

a) Business Segments :

A description of the types of products and services provided by each reportable segment is as follows:

Laminate & Allied Products: The Segment is engaged in the business of manufacturing of Laminates, compact laminates and other allied products through its wholesale and retail network.

Veneer & Allied Products: The Segment is engaged in the business of manufacturing of Decorative veneers, Engineered Wood Flooring, Engineered Door Sets & Door Leaf and other allied products through its wholesale and retail network.

Notes to the consolidated financial statements

for the period ended 31st March, 2020

b) **Segment Assets and Liabilities :**

All Segment Assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, advances and operating cash and bank balances. Segment assets and liabilities do not include share capital, reserves and surplus, borrowings, proposed dividend and income tax (both current and deferred).

c) **Segment Revenue and Expenses :**

Segment revenue and expenses are directly attributable to the segment. It does not include dividend income, profit on sale of investments, interest income, interest expense, other expenses which cannot be allocated on a reasonable basis and provision for income tax (both current and deferred).

38. RELATED PARTY DISCLOSURES

38.1 List of related parties and relationship:

a) Related parties with whom transactions have taken place during the year.

Key Management Personnel

i) Mr. Shiv Prakash Mittal, Non Executive Chairman
ii) Mr. Saurabh Mittal, Managing Director & CEO
iii) Mrs. Parul Mittal, Whole-Time Director
iv) Mr. Vijay Kumar Chopra, Independent Director
v) Mrs. Urvashi Saxena, Independent Director (resigned on 1st April, 2019)
vi) Ms. Sonali Bhagwati Dalal, Independent Director
vii) Mr. Sandip Das, Independent Director (appointed on 13th June,2019)
viii) Mr. Ashok Kumar Sharma, Chief Financial Officer
ix) Mr. Prakash Kumar Biswal, Company Secretary

Enterprises Owned/Influenced by Key Management Personnel or their relatives

i) Himalaya Granites Ltd.
ii) Greenply Industries Ltd.
iii) Greenpanel Industries Ltd.
iv) Seema Realcon Pvt Ltd (Brother of Mrs Parul Mittal is a Director in Seema Realcon Pvt Ltd.)

38.2 Transactions During The Year:

₹ in lakh

Particulars	Key Management Personnel		Enterprises Owned/Influenced by Key Management Personnel or their relatives	
	2019-2020	2018-19	2019-2020	2018-19
Sale of Products				
Greenply Industries Ltd.	-	-	38.99	149.30
Greenpanel Industries Ltd	-	-	97.06	-
Seema Realcon Pvt Ltd	-	-	4990.98	4901.42
Total	**-**	**-**	**5127.03**	**5050.72**
Purchase of Products				
Greenply Industries Ltd.	-	-	-	539.95
Greenpanel Industries Ltd	-	-	852.70	-
Seema Realcon Pvt Ltd	-	-	0.20	1.67
Total	**-**	**-**	**852.90**	**541.62**
Rent Paid				
Himalaya Granites Ltd.	-	-	58.11	55.13
Greenpanel Industries Ltd	-	-	0.60	-
Greenply Industries Ltd.	-	-	-	0.60
Total	**-**	**-**	**58.71**	**55.73**

Notes to the consolidated financial statements

for the period ended 31st March, 2020

₹ in lakh

Particulars	Key Management Personnel		Enterprises Owned/Influenced by Key Management Personnel or their relatives	
	2019-2020	2018-19	2019-2020	2018-19
Remuneration Paid				
Mr. Saurabh Mittal	519.48	496.39	-	-
Mrs. Parul Mittal	275.90	276.91	-	-
Mr Shiv Prakash Mittal	18.00	-	-	-
Mr. Vijay Kumar Chopra#	24.90	13.60	-	-
Mrs. Urvashi Saxena#	-	13.60	-	-
Ms. Sonali Bhagwati Dalal#	26.30	13.80	-	-
Mr Sandip Das	20.71			
Mr. Ashok Kumar Sharma	124.75	110.86	-	-
Mr. Prakash Kumar Biswal	51.32	43.68	-	-
Total	**1061.36**	**968.84**	**-**	**-**
Amount outstanding as at Balance Sheet date				
Trade Receivable				
Greenply Industries Ltd.	-	-	8.22	3.84
Greenpanel Industries Ltd	-	-	20.90	-
Seema Realcon Pvt Ltd *	-	-	-	52.28
Total	**-**	**-**	**29.12**	**56.12**
Advance from Customers				
Seema Realcon Pvt Ltd *			9.95	
	-	-	9.95	-
Trade Payable				
Greenply Industries Ltd.	-	-	-	59.47
Greenpanel Industries Ltd	-	-	43.65	-
Total	**-**	**-**	**43.65**	**59.47**
Remuneration Payable				
Mr. Saurabh Mittal	255.00	231.91	-	-
Mrs. Parul Mittal	141.50	142.51	-	-
Total	**396.50**	**374.42**	**-**	**-**

Including sitting fees and commission

* Amount due from Seema Realcon Pvt Ltd is exclusive of ₹159.71 lakh (Previous Year ₹358.44 lakh), received through

Channel Finance facility from a Bank.

Terms and conditions of transactions with related parties

Purchase from related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end are unsecured and will be settled in cash and cash equivalents.

The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year through examining the financial position of the related parties and the market in which the related party operates.

The guarantees given to related party is made in the ordinary course of business and on terms at arm's length price. The commission on such guarantees have been recovered at arm length price as per safe harbour rules of Income Tax Act.

Notes to the consolidated financial statements
for the period ended 31st March, 2020

39. FLUCTUATION IN LONG TERM FOREIGN CURRENCY MONETARY ITEMS

The Holding Company has continued to exercise the option available to it under paragraph 46A to the Accounting Standard 11 "The effect of change in Foreign Exchange rate" as inserted by of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to "Long Term Foreign Currency Monetary Items" according to exemption under para D13AA of Ind-AS 101 "First-time Adoption of Indian Accounting Standards". Accordingly, it has adjusted a loss/(gain) of ₹ Nil lakh (Previous year loss ₹21.09 lakh) during the period to the cost of its fixed assets on account of such difference arising during the current period and has provided for depreciation thereon over the balance useful life of the respective assets. Consequently, the charge to the Statement of Profit and Loss is effected to that extent. This loss/(gain) is on External Commercial Borrowing which was fully repaid in July 2018

40. FINANCIAL RISK MANAGEMENT

The Group's financial risk management is an integral part of planning and executing its business strategies. The Group's financial risk management policy is planned, approved and reviewed by the Board of Directors. The Board of Directors has overall responsibility for the establishment and oversight of The Group's risk management framework.

40.1 Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change of market interest rate

Interest Rate Sensitivity

The Following table demonstrate the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, The Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in lakh

	Impact on profit & Loss 31 March, 2020	Impact on profit & Loss 31 March, 2019
Interest Rate Increase by 50 basis point	(143.61)	(131.61)
Interest Rate decrease by 50 basis point	143.61	131.61

40.2 Market Risk

Market Risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables, and loans and borrowings.

The Group manages market risk through the corporate finance department, which evaluates and exercises independent control over the entire process of market risk management. The corporate finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

40.3 Foreign Currency Risk

The Group operates internationally and portion of the business is transacted in several currencies and consequently The Group is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Group evaluates exchange rate exposure arising from foreign currency transactions and The Group follows established risk management policies, including the use of derivatives like foreign currency forward contracts to hedge exposure to foreign currency risk.

Notes to the consolidated financial statements
for the period ended 31st March, 2020

Hedged Foreign Currency Exposures:

₹ in lakh

Particulars	31 March, 2020	31 March, 2019
Purchase (Hedging of Trade Payables)	3883.43	2773.31

Unhedged Foreign Currency Exposures:

₹ in lakh

Particulars	31 March, 2020	31 March, 2019
Trade Payables	4429.11	3363.00
Advance to Vendors	1046.00	615.71
Trade Receivables	6326.12	7770.47
Advance from Customers	162.35	19.34

40.4 Credit Risk

Credit Risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, The Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk The Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. Trade Receivables are impaired using the Life time Expected Credit Losses (ECL) Model. The Group uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates.

Financial Assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with The Group. The Group categorises a loan or receivable for write off when a debtor fails to make contractual payments in normal course of business. Where loans or receivables have been written off, The Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

Financial assets where Life time Expected Credit Losses (ECL) is used:

₹ in lakh

	31 March, 2020	31 March, 2019
Trade Receivables	13940.14	18407.72
Less : Expected Credit Loss	102.32	745.43
Trade Receivables	**13837.82**	**17662.29**

40.5 Liquidity Risk

Liquidity Risk is the risk that The Group will not be able to settle or meet its obligations on time or at reasonable price. The Group's corporate finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are reviewed by the Board of Directors. Management monitors The Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financial Liabilities as reported in the Balance Sheet are segregated into current and non-current. Non-current financial liabilities have a maturity period of more than one year, whereas the current financial liabilities have maturities within one year.

40.6 Capital Management

For the purposes of The Group's Capital management, capital includes issued capital and all other equity reserves. The primary objective of The Group's Capital management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Group monitors capital using debt/equity ratio, which is total debt divided by total equity.

Notes to the consolidated financial statements
for the period ended 31st March, 2020

₹ in lakh

	31 March, 2020	31 March, 2019
Total Debt	29416.32	26970.87
Total Equity	50067.18	42841.21
Debt/Equity Ratio	0.59	0.63

41. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidated sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, working capital loans from banks approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial instruments other than above are carried at amortised cost except certain assets which are carried at fair value.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable.

Level 3 : Techniques using inputs having significant effect on the recorded fair value that are not based on observable market data.

₹ in lakh

	31 March, 2020	31 March, 2019
Financial assets at amortised cost:		
Investment	1.25	1.25
Loans - Non-current	582.75	654.14
Trade Receivables (Non Current)	58.14	-
Trade Receivables	13779.68	17,662.29
Cash and Cash Equivalents	3041.49	1023.01
Bank Balances other than above	32.65	39.15
Loans - Current	89.90	85.97
Total	17585.86	19465.81
Financial assets at fair value through profit and loss:		
Derivative - current - Level 2	-	-
Total Financial Assets	17585.86	19465.81
Financial liabilities at amortised cost:		
Borrowings - Non-current	8200.00	7265.00
Other Financial Liabilities - Non-current	5279.48	440.64
Borrowings - Current	17666.32	15896.59
Trade Payables	17446.03	16125.15
Other Financial Liabilities - Current	5988.74	4527.94
Total	54580.57	44255.32
Financial Liabilities at fair value through profit and loss:		
Derivative - current - Level 2	-	-
Total Financial Liabilities	54580.57	44255.32

Notes to the consolidated financial statements
for the period ended 31st March, 2020

42. INFORMATION REGARDING MICRO, SMALL AND MEDIUM ENTERPRISES

Based on the information /documents available with the Company, information as per the requirements of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

₹ in lakh

	31 March, 2020	31 March, 2019
i) Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance).	325.77	234.82
ii) Interest due on above	-	-
Total of (i) & (ii)	325.77	234.82
iii) Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act.	-	-
iv) Amount paid to the suppliers beyond due date during the year	-	-
v) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-
vi) Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
vii) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

43. RIGHT TO USE ASSETS/LEASE LIABILITY

a. Right to Use

The Group has created following Right of Use Assets as under as per Para C8 (b) (i) of Ind AS-116 by applying Modified Retrospective Method as prescribed in Para C5 of the standard;

₹ in lakh

Particulars	31 March, 2020
Addition during the FY 2019-20	8951.49
Depreciation Charged	1167.03
Carrying amount as at March 31, 2020	7767.40
Cash Flow for leases	758.02

b. Maturity Analysis of Lease Liabilities as required by Para 58 of Ind AS-116 has been disclosed as follow:

₹ in lakh

Period	31 March, 2020
0-1 year	1232.09
1-5 year	3258.38
More than 5 year	1850.70

c. The Group has elected Para 6 of Ind AS-116 for short term leases & recognised lease expense of ₹216.05 lakh associated with these lease.

d. The Group has recognised Interest expenses of ₹483.39 lakh on Lease Liabilities during the year.

e. Lease contracts entered by the Group majorly pertain for Land and office Building taken on lease to conduct its business in the ordinary course of business.

f. The Group does not have any lease restrictions and commitment towards variable rent as per the contract.

g. The weighted average incremental borrowing rate of 8% for Holding Company and 4% for foreign Subsidiary Companies has been applied to lease liabilities recognised in the Balance Sheet at the date of initial application.

h. The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS-116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

i. The Group has elected not to apply the requirements in Para C8 to leases for which the lease term ends within 12 months of the date of initial application as per practical expedient available under Para C10 of this standard.

44. DISTRIBUTION MADE AND PROPOSED DIVIDEND

₹ in lakh

	31 March, 2020	31 March, 2019
Cash dividend on equity shares declared and paid		
Final dividend for the year ended on 31 March 2019:		
₹3.00 per share (31 March 2018: ₹2.50)	724.09	603.41
Dividend distribution tax on final dividend	2.33	124.03
	726.42	727.44
Interim dividend for the year ended on 31 March 2020:		
₹4 .00 per share (31 March 2019: Nil)	965.46	-
Dividend distribution tax on interim dividend	-	-
Total dividend paid	965.46	-
Proposed dividend on Equity shares		
Final dividend for the year ended on 31 March 2019		
₹3 per share (31 March 2018: ₹2.50)	-	724.09
Dividend distribution tax on final dividend	-	148.84
Total dividend proposed	-	872.93

45. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Holding Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Holding Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects the carrying amount of these assets will be recovered and does not anticipate any impairment to its financial and non-financial assets . Given the uncertainty because of COVID-19, the final impact on the Group's assets in future may differ from that estimated as at the date of approval of these financial results. The Holding Company will continue to closely monitor any material changes to future economic conditions.

46. Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

47. The figures for the previous period are re-classified/ re-arranged / re -grouped, wherever necessary so as to be in conformity with the figures of the current period's classification/disclosure.

As per our annexed report of even date
For **S.S.Kothari Mehta & Company**
Chartered Accountants
ICAI Firm Reg. No. 000756N

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

(Naveen Aggarwal)
Partner
Membership No. 094380

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Parul Mittal
Wholetime Director
(DIN : 00348783)

Place of Signature : New Delhi
Dated : 19th June, 2020

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & VP - Legal

Corporate Information

Board of Directors

Mr. Shiv Prakash Mittal,
Non-Executive Chairman

Mr. Saurabh Mittal,
Managing Director & CEO

Ms. Parul Mittal,
Whole-time Director

Mr. Vijay Kumar Chopra,
Independent Director

Ms. Sonali Bhagwati Dalal,
Independent Director

Mr. Sandip Das,
Independent Director

Audit Committee

Mr. Vijay Kumar Chopra, Chairman
Ms. Sonali Bhagwati Dalal
Mr. Sandip Das
Mr. Saurabh Mittal

Nomination and Remuneration Committee

Mr. Sandip Das, Chairman
Mr. Vijay Kumar Chopra
Mr. Shiv Prakash Mittal

Stakeholders' Relationship Committee

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

Corporate Social Responsibility Committee

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

Operational & Finance Committee

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

Corporate Office

2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport Hospitality District, New Delhi-110037, India
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Email: investor.relations@greenlam.com
Website: www.greenlamindustries.com

Chief Financial Officer

Mr. Ashok Kumar Sharma

Company Secretary

Mr. Prakash Kumar Biswal

Statutory Auditors

M/s. S S Kothari Mehta & Company
Plot No. 68, Okhla Industrial Area,
Phase-III, New Delhi - 110020

Bankers/ Financial Institutions

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

Registered Office

Makum Road, Tinsukia,
Assam-786125
CIN: L21016AS2013PLC011624

Manufacturing Facilities

Behror, Rajasthan
Nalagarh, Himachal Pradesh

Registrar & Share Transfer Agent

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot NH 2,
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