

Directors' Report

To
The Members,

Your Directors have pleasure in presenting their 30th Annual Report on the business and operations of the Company along with the Audited Accounts of the Company for the Financial Year ended March 31, 2020.

Financial highlights

The financial performance of your Company, for the year ended March 31, 2020 is summarized below:

(Rs. in lacs)

Particulars	2019-20		2018-19	
	Standalone	Consolidated	Standalone	Consolidated
Turnover	1,26,307.08	1,41,581.91	1,27,575.60	1,40,412.94
Profit before Exceptional items, Finance charges, Tax, Depreciation/ Amortization (PBITDA)	13,393.01	15,767.15	12,633.36	14,731.21
Less: Finance Charges	1,685.19	2,079.39	1,480.59	1,863.48
Profit before Exceptional items, Depreciation/Amortization (PBTDA)	11,707.82	13,687.76	11,152.77	12,867.73
Less: Depreciation	2,106.60	2,571.91	1,871.73	2,243.11
Net Profit before Exceptional items & Taxation (PBT)	9,601.22	11,115.85	9,281.04	10,624.62
Exceptional items	(4,997.05)	(4,997.05)	-	-
Net Profit before Taxation (PBT)	4,604.17	6,118.80	9,281.04	10,624.62
Provision for taxation	1,344.47	1,344.47	3,151.82	3,151.82
Profit/(Loss) after Taxation (PAT)	3,259.70	4,774.33	6,129.22	7,472.80
Share of profit/(loss) of Joint Venture	N.A.	(49.26)	N.A.	494.36
Profit/(Loss) after Taxation and share of profit/(loss) of Joint Venture	3,259.70	4,725.07	6,129.22	7,967.16
Profit/(Loss) after Taxation for the year	3,259.70	4,725.07	6,129.22	7,967.16

Result of operations and the state of Company's affairs

During the year under review, your Company posted a stable performance with revenue of Rs. 126307.08 lacs as against Rs. 127575.60 lacs in the previous year. Profit for the year 2019-2020 was Rs. 3259.70 lacs as against Rs. 6129.22 lacs in the previous year.

As per the consolidated financial statements, the revenue and profit for the year 2019-2020 were Rs. 141581.91 lacs and Rs. 4725.07 lacs respectively as against Rs. 140412.94 lacs and Rs. 7967.16 lacs in the previous year.

Your Company is present across different price points

to cater to the needs of all customers across the high-end, mid-market and value-for-money segments. Your Company continues to retain and reinforce its market share under organised sector with a pan India distribution network comprising of distributors/ dealers and retailers. Your Company is the preferred partner of choice for a large number of offices and home builders, having a comprehensive product portfolio servicing clients at every point of the price spectrum.

The Hon'ble Supreme Court of India vide its Order dated 22 April 2020 upheld the Special Leave Petition filed by the Union of India & Others in Civil Appeal Nos.2256-2263 of 2020 arising out of S.L.P. (C)

Nos.28194-28201/ 2010 in respect of availing of area based exemption under Central Excise. Your Company is one of the Respondents in the subject matter. The Company may have to refund maximum principal amount upto INR 2709.36 lacs in respect of excess refund received from the Excise Department for the period from 01.04.2008 to 30.06.2017. The Company is not clear on applicability of interest and penalty on this matter. However, the Company has estimated interest amount of INR 2120.31 lacs from the date of various refund till 31.03.2020 at the prescribed rate. As per Clause No. 4.3.6 of the Composite Scheme of Arrangement between Greenply Industries Limited and Greenpanel Industries Limited duly approved by the Hon'ble National Company Law Tribunal, Guwahati Bench on 28.06.2019, the above principal amount along with interest, if any, shall be shared by Greenply Industries Limited, Demerged Company and Greenpanel Industries Limited, Resulting Company in the ratio of 60:40. In addition to the above, the Company has reversed income of INR 2099.25 lacs in respect of pending refund receivable from the Excise Department for the period from 01.04.2008 to 16.05.2015. Accordingly, the total impact of the said judgment in the financials for the quarter and year ended 31 March 2020 is INR 4997.05 lacs. Considering the nature and size of transaction, the Company has disclosed the impact of the said judgment as an exceptional item in the financials. The Company is continuing to work under the advice of the Legal Counsel and will take all the necessary steps as may be guided by the Legal Counsel from time to time.

The Cyclone AMPHAN hit the district of South 24 Parganas in West Bengal on 20th May, 2020 causing damages to the factory shed and building, machineries including chimney and some materials at the Company's unit situated at Kriparampur, West Bengal. The unit was expected to start its operations on or about 21st May, 2020 but due to damages caused by said Cyclone the unit started its operations from 8th June, 2020. The plant was adequately covered under insurance and the overall impact was not material.

Impact of COVID-19 pandemic on the business:

In line with the Covid-19 directives of lockdown by the Government of India, the Company's units were completely shut down in compliance with said directives. Dispatches which could not take place in the month of March and April were deferred to May and offices were also shut down during the lockdown and personnel were working from home. Gabon plant was shut only for a week. Gabon operations resumed with lower capacity utilization and thereafter have been increased in a phased

manner. The Company issued COVID-19 alert as per WHO guidelines and adopted suitable policies to safe guard employees and for smooth functioning of Company's operations. Adequate safety measures, including social distancing, wearing masks within office premises and multiple levels of sanitization have been implemented. With the ever changing nature of the pandemic, it will be difficult to put an estimation of the future impact of COVID-19 on the Company's operations. Where demand for products and services is concerned, there is a reduced demand as there is reliance of this industry on the real estate market which is affected since the onset of COVID-19. There can be an impact on demand as many carpenters have gone back to their home towns and are yet to return.

The Company has taken full care and consideration ever since the pandemic outbreak began. It has taken complete efforts to work closely with dealers to ensure the highest safety standards are maintained. We have also trained our own sales force during the period on how to maintain safety and handle products, maintain social distancing and wear protective Equipment. It has implemented layered protection, right from temperature checks to masks to hand sanitization to gloves, social distancing and constant sanitization of products in show rooms.

As part of its endeavour to combat the challenges of the ongoing pandemic and in line with its overall business strategy, the Company is continuously exploring opportunities to become more efficient and rationalise costs. The Company's business is largely dependent on new constructions in the real estate sector as well as renovations of existing homes. The real estate sector has been facing challenges over the last year and these have only been accentuated post the pandemic. Given the limited clarity as to how long this pandemic is going to continue as we await a vaccine, it is difficult to share any precise outlook for the business.

Outlook and expansion

The Company's outlook remains favourable on account of its product integration capabilities, increasing brand visibility and the continuous support from its stakeholders. Plywood market is one of the major verticals of the interior infrastructure, comprising materials used in building furniture. Such materials include plywood, boards, decorative veneers, doors. Your Company is currently operating primarily in the structural sphere of interior infrastructure domain with almost all the products in its basket catering to the structural needs of the customers. The demand for readymade furniture is growing. Your company also focused on the value added products to improve margin.

Going forward, there is an increasing shift being witnessed towards the organised sector owing to brand and quality awareness. With wider choice, product innovation and warranty, being offered by organised players, customers are shifting more focus on this segment.

The Company's step down wholly owned subsidiary Greenply Gabon SA at Gabon, West Africa completed the expansion of its Veneer manufacturing unit and started production from 1st week of November 2019. The new lines are catering primarily to the European and South East Asian markets. The FSC certification was also completed and FSC certificate was received on 27th November 2019. In spite of Indian market being almost non-existent due to COVID 19 pandemic, the unit was able to continue production with reduced manpower due to social distancing measures and dispatch cargo to European and south east Asian markets.

Considering low capex model business of the Company and future business strategy, the Company decided to sale the land which was acquired to set-up a new unit in Sandila Industrial Area, Sandila, Dist: Hardoi, Uttar Pradesh for manufacturing of Plywood and its Allied Products. Accordingly, there is no need to hold the land to set-up the said unit and the Company may sale the same to any Party or Government Authority at an appropriate price. Accordingly, there is no need to hold forest licenses as purchased earlier to set-up the said proposed unit and the Company may sale the same to any Party at an appropriate price.

In respect of an agreement for investment in the equity share capital of M/s. Nemani Panels Pvt. Ltd., Investee Company, (a company for setting-up a manufacturing unit of Plywood and allied products at Bareilly, U.P.), we would like to inform that the Company has reduced its shareholding below 20% in the equity share capital of the said Investee Company. The shareholding in the said Company is as minority rights only and there is no significant influence in the Investee Company. Further in respect of an agreement for investment in the equity share capital of M/s. Panchjanya Ply & Boards Pvt. Ltd., Investee Company (a company incorporated for setting-up manufacturing unit of Doors and Film Face Plywood and allied products at Bareilly, U.P.), we would like to inform that the Company has reduced its shareholding below 20% in the equity share capital of said Investee Company. The shareholding in the said Company is as minority rights only and there is no significant influence in the Investee Company

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

Corporate Guarantee to Landesbank Baden-Wurttemberg (LBBW)

The Board of Directors of the Company at their meeting held on 11th February, 2020, subject to approval of shareholders by way of Postal Ballot including remote e-voting and other regulatory authorities, approved extension of a corporate guarantee to Landesbank Baden-Wurttemberg (LBBW) for an amount not exceeding EURO 12,500,000 (Maximum Amount), in respect of the loan provided by LBBW to the erstwhile MDF Division of the Company which has now been shifted by way of demerger to Greenpanel Industries Limited vide the Composite Scheme of Arrangement duly approved by the Hon'ble National Company Law Tribunal, Guwahati Bench, vide its order dated June 28, 2019. The Shareholders of the Company approved the same through Postal Ballot including remote e-voting on 26th March, 2020 subject to other regulatory approval(s). Till date the Company has not issued Corporate Guarantee to LBBW.

Subsidiaries and Joint Venture

Presently, your Company has two overseas wholly owned subsidiaries viz. (i) Greenply Holdings Pte. Ltd., Singapore, which is holding the investment in Greenply Alkema (Singapore) Pte. Ltd., Singapore. (ii) Greenply Middle East Limited, Dubai, UAE, which is managing, controlling and holding investment in Greenply Gabon SA, Gabon, West Africa and also engaged in general trading business.

Further, your Company has an overseas step-down wholly owned subsidiary viz. Greenply Gabon SA, Gabon, West Africa, (Subsidiary of Greenply Middle East Limited, Dubai, UAE) having manufacturing unit at Nkok SEZ in Gabon, West Africa. The same is engaged in the business of manufacturing and marketing of veneers.

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

The statement in form AOC-1 containing the salient features of the financial statements of subsidiaries/associate companies/joint ventures pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 is annexed to this Report.

Further, the contribution of Greenply Holdings Pte. Ltd., Singapore, Greenply Middle East Limited, Dubai, UAE, wholly owned subsidiaries and Greenply Alkema (Singapore) Pte. Ltd., Joint Venture to overall performance of the Company during the year under review is as mentioned below:

	Net assets (total assets minus total liability)		Share in profit and loss	
	As % of consolidated net assets	Rs in lakhs	As % of consolidated profit or loss	Rs in lakhs
Holding company				
Greenply Industries Limited	94.46	35,695.93	68.99	3,259.70
Subsidiaries:				
Foreign				
Greenply Holdings Pte Limited	0.01	2.85	(0.20)	(9.41)
Greenply Middle East Limited ^	6.13	2,319.85	32.25	1,524.04
Joint venture:				
Foreign				
Greenply Alkema (Singapore) Pte Limited	(0.60)	(227.29)	(1.04)	(49.26)
Non-controlling interest in all subsidiaries	0.00		0.00	
At 31 March 2020	100.00	37,791.34	100.00	4,725.07

	Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated other comprehensive income	Rs in lakhs	As % of consolidated total comprehensive income	Rs in lakhs
Holding company				
Greenply Industries Limited	(79.02)	(106.85)	64.86	3,152.85
Subsidiaries:				
Foreign				
Greenply Holdings Pte Limited	0.41	0.56	(0.18)	(8.85)
Greenply Middle East Limited ^	178.61	241.51	36.33	1,765.55
Joint venture:				
Foreign				
Greenply Alkema (Singapore) Pte Limited	0.00	-	(1.01)	(49.26)
Non-controlling interest in all subsidiaries	0.00	-	0.00	-
At 31 March 2020	100.00	135.22	100.00	4,860.29

^includes wholly-owned step down subsidiary company – Greenply Gabon SA

Consolidated financial statements

For the period under review, the Company has consolidated the financial statements of its wholly owned subsidiaries viz. Greenply Holdings Pte. Ltd., Singapore and Greenply Middle East Limited, Dubai (UAE). In accordance with Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.greenply.com. Further, as per the said section, audited annual accounts of the subsidiary companies and Joint Venture Company have also been placed on the website of the Company, www.greenply.com.

Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary companies and Joint Venture Company may write to the Company Secretary at the Company's registered office. A statement containing salient features of the financial statements of subsidiary/associate companies/joint venture in form AOC -1 is annexed to this Report.

Credit Rating

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

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

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

Dividend

Your Directors recommend a final dividend of 40% i.e. Re.0.40 per equity share (compared to previous year of 40% i.e.Re.0.40 per equity share of Re.1/-each) on the Company's 12,26,27,395 equity shares of Re.1/-each for financial year 2019-2020. The final dividend on the equity shares, if approved by the members as above, would involve an outflow of Rs.490.51 lacs towards dividend.

The dividend payment is subject to approval of members at the ensuing Annual General Meeting. The dividend pay-out is in accordance with the Dividend Distribution Policy of the Company adopted by the Board of Directors in their meeting held on July 25, 2016 and amended on 08.02.2019. The Dividend Distribution Policy of the Company is annexed to this Report and also uploaded on the website of the Company available at the weblink at https://www.greenply.com/assets/investors/11/original/Dividend_Distribution_Policy.pdf?1564572436

Transfer to Reserves

No amount is proposed to be transferred to any Reserves.

Share Capital

During the year under review, there were no changes in the Share Capital of the Company.

Directors and Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sanidhya Mittal [DIN: 06579890], Joint Managing Director of the Company, will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Pursuant to the provisions of the Companies Act, 2013 and any other applicable provisions thereof including Articles of Association of the Company, the Board of Directors appointed Mr. Manoj Tulsian (DIN:

05117060) as an additional director of the Company with effect from February 11, 2020. In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company Mr. Manoj Tulsian (DIN: 05117060) was appointed as a Director of the Company, liable to retire by rotation vide postal ballot including e-voting process on 26th March, 2020.

The Board of Directors at their meeting held on 11th February, 2020, subject to approval of Members of the Company has also accorded their approval to appoint Mr. Manoj Tulsian, as a Joint Managing Director & CEO of the Company for a period of 5 years w.e.f. 11.02.2020. The same was recommended to the Board of Directors by the Nomination and Remuneration Committee at its meeting held on 11th February, 2020. The Shareholders of the Company approved the appointment of Mr. Manoj Tulsian as a Joint Managing Director & CEO of the Company for a period of 5 years w.e.f. 11.02.2020 through postal ballot including e-voting process on 26th March, 2020. The detailed terms and conditions including remuneration had already been mentioned in the Postal Ballot Notice dated 11th February, 2020 circulated by the Company. Further, the details of Mr. Manoj Tulsian [DIN: 05117060] as required under Listing Regulations and SS-2 had also been provided in the said notice.

Mr. Anupam Kumar Mukerji (DIN-00396878), Independent Director has resigned from the Board of Directors of the Company with effect from the close of working hours of 31st March, 2020 as he is not been keeping well due to his eye sight issues. The Board of Directors of the Company deeply appreciates his valuable contribution and support during his term as an Independent Director of the Company.

None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a) & (b) of the Companies Act, 2013 and a certificate dated 16th June, 2020 received from a Practising Company Secretary certifying that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and

Exchange Board of India, Ministry of Corporate Affairs or any such other 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. Vinod Kumar Kothari, Mr. Susil Kumar Pal and Ms. Sonali Bhagwati Dalal are 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 the Board of Directors, the Independent Directors of the Company re-appointed during the financial year 2019-20 are persons of integrity and possess relevant expertise and experience.

Declaration by Independent directors

For the financial year 2019-20, all the Independent Directors of the Company have given their declarations to the Company that they meet the criteria of independence as provided in Section 149(7) read with Section 149(6) of the Companies Act, 2013 and Regulation 16 of Listing Regulations.

Meetings of the Board of Directors

Four (4) Board Meetings were held during the financial year ended 31st March, 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.

Performance Evaluation

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

Pursuant to Para VII of Schedule IV of the Companies Act, 2013 ('Act, 2013') and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a meeting of the Independent Directors ('IDs') of the Company was convened on 11th February, 2020 to perform the following:

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

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

The criteria for evaluation are briefly provided below:

- a. **For Independent Directors:**
 - General parameters
 - Roles & responsibilities to be fulfilled as an Independent director
 - Participation in Board process.
- b. **For Executive & Non-executive Directors:**
 - Governance
 - Strategy
 - Stakeholder focus
 - Communication & influence
 - Quality or capability
 - Performance improvement
 - Financial & risk awareness

The result of review and evaluation of performance of Board, its Committees and of individual Directors was found to be satisfactory.

Familiarisation Programme

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

Managerial Remuneration

As per the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any amendment thereof, the Company is required to disclose the following information in the Board's Report.

- (a) ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-20;

Name	Designation	Ratio to median remuneration of employees
Mr. Rajesh Mittal	Chairman cum Managing Director	209.24
Mr. Sanidhya Mittal	Joint Managing Director	85.16
Mr. Manoj Tulsian	Joint Managing Director & Chief Executive Officer	16.62
Mr. Susil Kumar Pal	Independent Director	6.13
Mr. Vinod Kumar Kothari	Independent Director	6.13
Mr. Anupam Kumar Mukerji	Independent Director	6.13
Ms. Sonali Bhagwati Dalal	Independent Director	6.13
Mr. Upendra Nath Challu	Independent Director	6.13

- (b) percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2019-20;

Name	Designation	% increase
Mr. Rajesh Mittal	Chairman cum Managing Director	-3%
Mr. Sanidhya Mittal	Joint Managing Director	-22%
Mr. Susil Kumar Pal	Independent Director	10%
Mr. Vinod Kumar Kothari	Independent Director	10%
Mr. Anupam Kumar Mukerji	Independent Director	10%
Ms. Sonali Bhagwati Dalal	Independent Director	10%
Mr. Upendra Nath Challu	Independent Director	10%
Mr. Mukesh Agarwal	Chief Financial Officer	10%
Mr. Kaushal Kumar Agarwal	Company Secretary & Vice President-Legal	10%

- (c) percentage increase in the median remuneration of employees in the financial year 2019-20;
14.39%
- All elements of remuneration package as required under Listing Regulations have been provided in the Corporate Governance Report.

- (d) number of permanent employees on the rolls of Company;
2365

Statutory Auditors and their report

The Shareholders of the Company at their 27th Annual General Meeting held on 21.08.2017, approved appointment of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years i.e. from the conclusion of 27th Annual General Meeting, until the conclusion of the 32nd Annual General Meeting.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and, therefore, do not call for further clarification. The Auditor's Report for Financial Year ended March 31, 2020 does not have any qualification and adverse remark.

- (e) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;
13.12% (non-Managerial personnel) 7.99% (Managerial Personnel)

Cost Auditors

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

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

- (g) Managing Directors and Whole-time Directors of the Company do not receive any commission from its subsidiary companies.

Internal Auditor

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

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Nidhi Bagri & Company, Practising Company Secretary (Membership No. ACS 24765/COP No.9590), Kolkata, to conduct Secretarial Audit for the financial year 2019-2020. The Secretarial Audit Report of M/s. Nidhi Bagri & Company, Practising Company Secretary, in Form MR-3, for the financial year ended 31st March, 2020, is annexed to this report.

Response to Secretarial Auditor's observation

It has been observed by the Secretarial Auditor that during the financial year 2019-2020, though the Company has spent Rs.469.34 lacs towards CSR activities (directly and through Trust- Greenply Foundation) during the year under review but the maximum amount was relating to earlier year(s) lying with the Trust and implementing agency(ies). Accordingly, the amount spent is less than the minimum allocation of CSR being 2% of the average net profit of last 3 financial years amounting to Rs.325.33 lacs in total. In response to the same, our Company would like to submit that the total amount to be spent by the Company for the FY 2019-2020 was Rs.325.33 lacs. During the year under review, the Company has undertaken CSR activities directly and through its Trust namely GREENPLY FOUNDATION. The total amount to be spent by the Company for the FY 2019-2020 was Rs.325.33 lacs. As against that the amount spent by the Company during the FY 2019-2020 either directly or through Greenply Foundation amounted to Rs.469.34 lacs (including brought forward unspent amount from previous years). Accordingly, the Company has exceeded its CSR spending during the FY 2019-2020 against the requirement of Section 135 of the Companies Act, 2013 i.e. 2% of the average net profit of last 3 financial years. The Company had taken the decision to spend the carried over unspent amount of Rs. 205.88 lacs

(net of liabilities of Rs. 0.17 lacs) lying with Trust and Rs. 37.49 lacs lying with Implementing Agencies as on 31.03.2019. Considering the carried over amount, the amount spent during FY 2019-2020 is less than the minimum allocation of CSR being 2% of the average net profit of last 3 financial years amounting to Rs. 325.33 lacs in total. The Trust has also earned Rs.3.04 lacs on temporary investment with Banks/Mutual Funds during FY 2019-2020. The unutilized fund lying with the Trust as on 31.03.2020 amounting to Rs. 87.15 lacs (net of liabilities of Rs. 0.37 lacs) and the amount of Rs. 18.08 lacs lying with Implementing Agencies will be used for CSR activities along with fresh funding, if any, from the Company, during FY 2020-2021. The Company is committed to the underlying intent of CSR and is optimistic of meeting its obligations under section 135 of the Companies Act, 2013 and thereby make a positive impact on the society.

Disclosure on Employee Stock Option Plan/Scheme

During the year under review, the Company does not have any Employee Stock Option Plan/Scheme.

Audit Committee

As on 31st March, 2020, the Company's Audit Committee comprises of three Non-Executive Independent Directors viz. Mr. Susil Kumar Pal, Mr. Vinod Kumar Kothari and Mr. Upendra Nath Challu and one Executive-Promoter Directors viz. Mr. Rajesh Mittal. The Committee inter-alia reviews the Internal Control System, reports of Internal Auditors, compliance of various regulations and evaluates the internal financial controls and risk management system of the Company. The Committee also reviews at length the Financial Statements and results before they are placed before the Board. The terms of reference of the Audit Committee and other details have been provided in the Corporate Governance Report.

Vigil mechanism

In pursuance to the provisions of section 177(9) & (10) of the Companies Act, 2013, erstwhile equity listing agreement and Regulation 22 of the Listing Regulations, 'Whistle Blower Policy' to establish vigil mechanism for directors and employees to report genuine concerns had been framed and implemented. This policy provides a process to disclose information, confidentially and without fear of victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrong doing within the Company. The policy safeguards the whistle blowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. During the year

under review, none of the personnel has been denied access to the Chairman of the Audit Committee. The policy has been uploaded on the website of the Company and is available at the weblink at https://www.greenply.com/assets/investors/2/original/Vigil_Mechanism_Policy_1.pdf?1564571968

Nomination and Remuneration Committee

As on 31st March, 2020, the Company's Nomination and Remuneration Committee comprises of three Non-Executive Independent Directors viz. Mr. Susil Kumar Pal, Mr. Vinod Kumar Kothari, Mr. Upendra Nath Challu and one Executive-Promoter Director Mr. Rajesh Mittal. The terms of reference and other details of the Nomination and Remuneration Committee has also been provided in the Corporate Governance Report.

The Remuneration Policy of the Company is uploaded on the website of the Company which can be viewed at https://www.greenply.com/assets/investors/8/original/Remuneration_policy.pdf?1564572312

However, brief outline of the Remuneration Policy is as follows:

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

- the Company is able to attract, develop and retain high-performing and motivated Executives in a competitive international market;
- the Executives are offered a competitive and market aligned remuneration package, with fixed salaries being a significant remuneration component, as permissible under the Applicable Law;
- remuneration of the Executives are aligned with the Company's business strategies, values, key priorities and goals.

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

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

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

- Competencies
- Capabilities
- Compatibility
- Commitment
- Character
- Strong interpersonal skills
- Culture among others.

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

The five remuneration components are -

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

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

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

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

- If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;
- Such directors may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable law;
- An independent director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related

commission, as may be permissible by the Applicable law.

Stakeholders Relationship Committee

As on 31st March, 2020, the Stakeholders Relationship Committee comprises two executive Promoter Directors viz. Mr. Rajesh Mittal and Mr. Sanidhya Mittal one Non-Executive Independent Director viz. Mr. Susil Kumar Pal. The detailed terms of reference and other details of the Committee has been provided in the Corporate Governance Report.

Risk Management Policy

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

Extract of the annual return

The extract of Annual Return, as at the Financial Year ended March 31, 2020, as required under section 134(3) (a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 in Form No. MGT-9, is annexed to this Report. The same will be available on the website of the Company i.e. <http://www.greenply.com/investors> as a part of the Annual Report.

Material changes and commitments

Except as disclosed elsewhere in this Report, there have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2020 till the date of this Report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company except as disclosed in this report.

Significant and material orders passed by the Regulators / Courts / Tribunals impacting the going concern status and the Company's operations in future

Except as disclosed elsewhere in this Report, there is no significant and material order has been passed by any Regulator/Court/Tribunals impacting the going concern status and the Company's operations in future.

Internal financial controls

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:

- 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.
- 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.
- 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.
- The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.
- Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

Further, the certificate from Joint Managing Director & CEO and Chief Financial Officer, in terms of Regulation 17(8) of the SEBI Listing Regulations, provided in this Annual Report, also certifies the adequacy of our Internal Control systems and procedures.

Insurance

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

Particulars of loans / advances / investments as required under Schedule V of the Listing Regulations

The details of related party disclosures with respect to loans/advances/investments at the year end and maximum outstanding amount thereof during the year as required under Part A of Schedule V of the Listing Regulations have been provided in the notes to the Financial Statements of the Company. Further, there was no transaction with person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company as per Para 2A of the aforesaid Schedule.

Loans/advances, guarantee and investments under Section 186 of the Companies Act, 2013

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

Public Deposits

During the financial year 2019-2020, the Company did not invite or accept any deposits from the public under the Companies Act, 2013.

Listing of shares

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 526797 and on National Stock Exchange of India Limited (NSE) with scrip symbol GREENPLY. The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2020-21 have been duly paid.

Related party transactions

There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. Related party transactions that were entered into during the year under review were on arm's length basis and were in ordinary course of business. The Particulars of material related party transaction, if any, 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. Further, suitable disclosure as required by the Accounting Standards (Ind AS 24) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web link as required under Listing Regulations is as under: https://www.greenply.com/assets/investors/5/original/Related_Party_Transactions_Policy.pdf?1564572178

Corporate Governance

Your Company is committed to observe good Corporate Governance practices. The report on Corporate Governance for the financial year ended March 31, 2020, as per Regulation 34(3) read with Schedule V of the Listing Regulations forms part of this Annual Report and annexed to this Report. The requisite certificate from Statutory Auditors, M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) confirming compliance with the conditions of corporate governance, is attached to this Annual Report.

Management Discussion and Analysis Report

The Report on Management Discussion and Analysis Report in terms of Regulation 34, read with Schedule V of the Listing Regulations, forms part of this Annual Report and is annexed to this Report. Certain Statements in the said report may be forward looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

Policy on Sexual Harassment of Women at Workplace

The Company has in place a Policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Further, the Company has complied with the provisions relating to constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The particulars related to the conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed to this Report.

Corporate Social Responsibility

As on 31st March, 2020, the Corporate Social Responsibility Committee (CSR Committee) comprises two executive Promoter Directors viz. Mr. Rajesh Mittal and Mr. Sanidhya Mittal and two Non-Executive Independent Directors viz. Mr. Vinod Kumar Kothari and Mr. Upendra Nath Challu. The terms of reference of the Committee has been provided in the Corporate Governance Report. CSR Committee has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has also been approved by the Board. The CSR Policy may be accessed on the Company's website at the link <https://www.greenply.com/assets/investors/3/original/Corporate-Social-Responsibility-Policy.pdf?1564572083>

Further, the CSR activities carried out during the Financial Year ended 31st March, 2020 in the format prescribed under Rule 9 of the Companies (Accounts) Rules, 2014 is annexed to this Report.

Directors' Responsibility Statement

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

- (i) 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;
- (ii) the Directors had 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 a 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;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the Annual Accounts on a going concern basis;
- (v) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all

applicable laws and that such systems were adequate and operating effectively.

CEO and CFO certification

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

Code of Conduct for Directors and senior management personnel

The Code of Conduct for Directors and Senior Management Personnel is posted on the Company's website. The Joint Managing Director & CEO of the Company has given a declaration that all Directors and Senior Management Personnel concerned, affirmed compliance with the Code of Conduct with reference to the year ended on March 31, 2020. Declaration is attached with the annual 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.

Corporate Governance and Compliance certificate regarding compliance of conditions of Corporate Governance

A detailed Report on Corporate Governance for the financial year 2019-2020, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the certificate received from M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022), Statutory Auditors of the Company, to the effect of compliance of conditions of Corporate Governance as required under Schedule V of the Listing Regulations are annexed with the Report.

Business Responsibility Report

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

Fraud Reporting

There was no fraud reported by the Auditors of the Company under sub-section (12) of section 143 of

the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

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

Particulars of employees

During the year, four employees employed throughout the year were in receipt of remuneration of Rs. 1.02 crore or more per annum and one employee employed for the part of the year was in receipt of remuneration of Rs. 8.5 lac or more per month.

In accordance with the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and particulars of the top ten employees in terms of remuneration drawn and of the aforementioned employees form part of the Directors' / Board's Report as an annexure. However, in terms of the provisions of Section 136(1) of the Companies Act, 2013 read with the rule, the Directors' / Board's Report is being sent to all shareholders/ members of the Company excluding the same. The said information is available for inspection at the registered office of the Company

during working hours.

Any shareholder/ member interested in obtaining a copy of the annex may write to the Company Secretary. Disclosures on managerial remuneration in terms of Rule 5(1) of the aforesaid Rules are annexed to this Report.

The members are also informed that this Report is to be considered as an abridged report to the extent of the aforesaid exclusion only and all other information as required under applicable law form part of this Report without any exclusion..

Acknowledgements

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

For and on behalf of the Board of Directors

Rajesh Mittal

Place: Kolkata Chairman cum Managing Director
Date: June 27, 2020 DIN: 00240900

Form AOC-1

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

Part "A": Subsidiaries		Rs. in Lacs
1.	Name of the subsidiary	Greenply Holdings Pte. Ltd., Singapore
2.	Reporting period for the subsidiary	01.04.2019 - 31.03.2020
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 75.59
4.	Share Capital	2872.42
5.	Reserves & Surplus	-243.56
6.	Total Assets	2634.54
7.	Total Liabilities	5.68
8.	Investments*	2626.01
9.	Turnover	NIL
10.	Profit / (Loss) before taxation (including Other Comprehensive Income)	-62.05
11.	Provision for taxation	-
12.	Profit / (Loss) after taxation (including Other Comprehensive Income)	-62.05
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

*Including Rs. (49.26) Lacs towards share of loss from investment in the Joint Venture Company, Greenply Alkemaal (Singapore) Pte. Ltd., Singapore

Part "A": Subsidiaries		Rs. in Lacs
1.	Name of the subsidiary	Greenply Middle East Ltd., Dubai, UAE
2.	Reporting period for the subsidiary	01.04.2019 - 31.03.2020
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 75.59
4.	Share Capital	2059.67
5.	Reserves & Surplus	-895.98
6.	Total Assets	9543.69
7.	Total Liabilities	10940.01
8.	Investments	2560.01
9.	Turnover	17000.52
10.	Profit / (Loss) before taxation (including Other Comprehensive Income)	-429.73
11.	Provision for taxation	-
12.	Profit / (Loss) after taxation (including Other Comprehensive Income)	-429.73
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

Part "A": Subsidiaries		Rs. in Lacs
1.	Name of the subsidiary	Greenply Gabon SA, Gabon
2.	Reporting period for the subsidiary	01.04.2019 - 31.03.2020
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 75.59