Notes to the standalone financial statements for the year ended 31 March 2020

1. Reporting entity

Greenply Industries Limited (the 'Company') is a public company domiciled in India having its registered office situated at Makum Road, P.O. Tinsukia, Assam-786125, India. The Company has been incorporated under the provisions of the Companies Act, 1956 and its equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company is primarily involved in manufacturing of plywood and trading of plywood and allied products.

The Company has following subsidiary companies and joint ventures namely:

(a) Greenply Holdings Pte. Limited incorporated in Singapore. It has invested in a Joint Venture Company viz. Greenply Alkemal (Singapore) Pte. Limited., incorporated in Singapore, is engaged in trading of veneers. Greenply Alkemal (Singapore) Pte. Limited has invested in a wholly owned subsidiary company - Greenply Industries (Myanmar) Private Limited which is engaged in manufacturing and trading of veneer and lumber.

(b) Greenply Middle East Limited, incorporated in Dubai, is engaged in trading of veneers. It has invested in a wholly owned subsidiary company - Greenply Gabon SA, Gabon, West Africa, is engaged in manufacturing and trading of veneer and lumber.

2. Basis of preparation

a. Statement of compliance

These standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended, notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

The standalone financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 27 June 2020.

The details of the Company's accounting policies are included in note 3.

b. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise stated.

c. Basis of measurement

The standalone financial statements have been prepared on historical cost basis, except for the following items:

Items	Measurement
Derivative financial instruments	Fair value
Certain financial assets and financial liabilities	Fair value
Net defined benefit (asset)/ liability	Present value of defined benefit obligations as per actuarial valuation

d. Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the standalone financial statements for the every period ended is included in the following notes:

- Note 4 – useful life and residual value of property, plant and equipment;
- Note 4(d) – measurement of lease liabilities and right of use assets;
- Note 30 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 34 – recognition of deferred tax assets;
- Note 37 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 40 – fair value measurement of investments;
- Note 41 – impairment of financial assets: key assumptions used in estimating recoverable cash flows

Estimation of uncertainties relating to the global health pandemic from COVID 19

In view of pandemic relating to COVID-19, the Company has considered internal and external information available up to the date of approval of these standalone financial statement and has performed analysis based on current estimates in assessing the recoverability of its assets including trade receivables, inventories, investments, other financial and non-financial assets, for possible impact on these standalone financial statement. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, etc. On the basis of its present assessment and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any material impact on these standalone financial statement. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.

e. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation 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.

Notes to the standalone financial statements for the year ended 31 March 2020

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 40.

3. Significant accounting policies

a. Current and non-current classification

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) it is expected to be realised in, or is intended for sale or consumption in the Company's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is expected to be realised within 12 months after the reporting date; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(i) it is expected to be settled in the Company's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is due to be settled within 12 months after the reporting date; or

(iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in the Statement of Profit and Loss in the period in which they arise.

Notes to the standalone financial statements for the year ended 31 March 2020

c. Financial instruments

(i) Recognition and initial measurement

Trade receivables and contracts assets are initially recognised when they are originated and measured at transaction price. All othe financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at:

- Amortised cost; or

- Fair value through Profit or Loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at FVTPL

All financial assets which are not classified and measured at amortised cost or Fair value through other comprehensive income (FVOCI) as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI).

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable interest rate features;

- prepayment and extension features; and

- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Investments in subsidiaries are carried at cost in standalone financial statements

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognised in Standalone Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Standalone Statement of Profit and Loss.

Financial guarantee liabilities

Financial guarantees issued by the Company are those contracts that require payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset:

- when the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Notes to the standalone financial statements for the year ended 31 March 2020

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Company holds derivative financial instruments, such as foreign currency forward contracts, to hedge its foreign currency exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

d. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss. Property, plant and equipment under construction are disclosed as Capital work-in-progress. Assets retired from active use and held for disposal are stated at the lower of their net book value and fair value less cost to sell and shown under 'Current assets'.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

Notes to the standalone financial statements for the year ended 31 March 2020

(iii) Depreciation

Depreciation for the year is recognised in the Statement of Profit and Loss. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method, in the manner specified in Part C of Schedule II of the Act. The estimated useful lives of items of property, plant and equipment are consistent with the Schedule II of the Companies Act, 2013, which are follows:-

Building - 3 to 60 years
Plant and Equipments - 15 to 25 years
Furniture and Fixtures - 10 years
Vehicles - 8 to 10 years
Office Equipments - 5 to 10 years

Freehold land is not depreciated. Usefull lives and residual values are reviewed at each financial year end and adjusted as apropprieate. Depriciation on additions (discard/disposals) is provided on pro-rata basis i.e. from (upto) the date on which asset is ready for use (discarded/disposed off).

e. Intangible assets

(i) Recognition and measurement

Acquired Intangible assets:

Intangible assets are initially measured at cost and subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Internally generated intangible assets:

Expenditure pertaining to research is expensed out as an when incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to statement of profit and loss

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iii) Amortisation

Amortisation is the systematic allocation of the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Trademarks 5 years

- Computer software 5 years

- Technical know-how 3 years

Useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, packing materials, stores and spares are measured at the lower of cost and net realisable value.

The cost of inventories is ascertained on the 'weighted average' basis. Cost comprise comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Notes to the standalone financial statements for the year ended 31 March 2020

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

In the case of finished goods and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

g. Impairment

(i) Impairment of financial instruments: financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of the ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Statement of Profit and Loss.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes subsequent information. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the writeoff. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g. corporate office for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h. Non-current assets (or disposal groups) held for sale and discontinued operations

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.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Standalone Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Standalone Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Standalone Statement of Profit and Loss.

i. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into Employees' Provident Fund established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952,employee's state insurance and employee pension scheme, and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions under employee provident fund to Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements. The Company recognises all actuarial gains and losses arising from defined benefit plan immediately in the Statement of Profit and Loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Stanalone statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Such benefits are in form of leave encashment that accrue to employees in return of their service. The calculation of other long term employee benefits is performed by an independent qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). Net interest expense and other expenses related to defined benefit plans are recognised in Standalone statement of Profit and Loss.

Notes to the standalone financial statements for the year ended 31 March 2020

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

j. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle 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.

The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

k. Revenue

(i) Sale of goods

The Company manufactures, sales and trades in plywood and allied products. Sale is recognised when control of the products being sold has transferred, being when the products are dispatched/ delivered to the dealer, the dealer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the dealer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have been transferred to the dealer, and either the dealer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The products are often sold with variou's dealers' incentive such as retrospective volume discounts based on aggregate sales over a 12 months period, cash discount on payment within specified period, promotional gifts on achieving specific targets, quality claims if claims made in the specified period and other promotional expenses such as tours and travel packages etc. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts, cash discounts, quality claims and promotional expenses. Accumulated experience is used to estimate and provide for the discounts/claims/provisions, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (netted off with trade receivables) is recognised for expected volume discount payables, expected cash discount payables and expected quality claims in relation to sales made until the end of reporting period. Provision (included in other current liabilities) is recognised for expected sales promotional expenses against the sales made until the end of reporting period. No element of financing is deemed present as the sales are made with a credit term of 30-90 days, which is consistent with market practice.

Generally, the Company receives short term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods to the customer and when the customer pays for that goods will be one year or less.

l. Government grants

Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached thereto.

Notes to the standalone financial statements for the year ended 31 March 2020

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 Operating Revenue".

m. Leases

With effect from 01 April 2019, the Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. The details of accounting policies under Ind AS 17 are disclosed separately if they are different from those under Ind AS 116 and the impact of changes is disclosed in note4(d).

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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:

— the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

— the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

— the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

— the Company has the right to operate the asset; or

— the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Policy applicable before 1 April 2019:

As per Ind AS 17, a lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating lease. Operating lease payments, as per terms of the agreement, are generally recognised as an expense in the statement of profit and loss on a straight line basis.

Policy applicable after 1 April 2019:

a) Under Ind AS 116: (as a lessee)

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Notes to the standalone financial statements for the year ended 31 March 2020

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

— fixed payments, including in-substance fixed payments;

— variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

— amounts expected to be payable under a residual value guarantee; and

— the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property and lease liabilities separately in the statement of financial position

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of office premises that have a lease term of 12 months or less and leases of low-value assets.

n. Recognition of dividend income, interest income or expense and insurance claim.

Dividend income is recognised in Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or

- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Insurance claim due to uncertainty in realisation are accounted for on acceptance basis.

o. Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Notes to the standalone financial statements for the year ended 31 March 2020

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (tax base). Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

p. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the standalone financial statements for the year ended 31 March 2020

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

q. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

r. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company.

s. Cash and cash equivalents

Cash and cash equivalents include cash and cash-on-deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

t. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

u. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

v. Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The CODM consists of the Executive Chairman cum Managing Director, Joint Managing Director & CEO and Chief Financial Officer.

The Company business activity fall within a single operating segmnet, namely 'plywood and allied products.

w. Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Non-derivative financial assets

Non-derivative financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL. Investments in quoted and unquoted equity instruments are measured at FVTPL.

Notes to the standalone financial statements for the year ended 31 March 2020

(ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iii) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

(iv) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

x. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognise a contingent liability but disclosures its existence in the standalone financial statements.

3A. Standards issued but not yet effective

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2020.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

4. Property, plant and equipment

See accounting policy in note 3(d) and (g).

(a) Reconciliation of carrying amount

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost (Gross carrying amount)							
Balance at 1 April 2018	4,840.26	13,639.33	51,143.03	2,321.90	3,720.55	1,718.06	77,383.13
Balance transferred pursuant to scheme of arrangement (refer note 36)	(4,792.75)	(6,078.97)	(41,536.25)	(1,163.33)	(2,013.51)	(905.18)	(56,489.99)
Additions	-	2,059.30	3,420.98	355.77	342.66	65.49	6,244.20
Disposals/ discard	-	(6.83)	(500.93)	(15.02)	(354.73)	(23.28)	(900.79)
Balance at 31 March 2019	47.51	9,612.83	12,526.83	1,499.32	1,694.97	855.09	26,236.55
Balance at 1 April 2019	47.51	9,612.83	12,526.83	1,499.32	1,694.97	855.09	26,236.55
Additions	635.58	330.70	656.10	138.91	297.46	115.86	2,174.61
Disposals/ discard	-	(123.84)	(176.19)	(16.01)	(163.18)	(15.88)	(495.10)
Balance at 31 March 2020	683.09	9,819.69	13,006.74	1,622.22	1,829.25	955.07	27,916.06
Accumulated depreciation							
Balance at 1 April 2018	-	3,344.54	23,212.24	889.56	1,194.10	1,033.02	29,673.46
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	(1,868.65)	(17,465.48)	(483.40)	(661.98)	(510.37)	(20,989.88)
Depreciation for the year	-	282.66	1,109.12	118.00	133.32	198.91	1,842.01
Adjustments/ disposals	-	(6.48)	(298.71)	(2.88)	(122.44)	(94.61)	(525.12)
Balance at 31 March 2019	-	1,752.07	6,557.17	521.28	543.00	626.95	10,000.47
Balance at 1 April 2019	-	1,752.07	6,557.17	521.28	543.00	626.95	10,000.47
Depreciation for the year	-	293.56	1,131.61	137.19	206.87	106.57	1,875.80
Adjustments/ disposals	-	(72.50)	(136.35)	(9.38)	(134.51)	(14.52)	(367.26)
Balance at 31 March 2020	-	1,973.13	7,552.43	649.09	615.36	719.00	11,509.01
Carrying amounts (net)							
Balance at 31 March 2019	47.51	7,860.76	5,969.66	978.04	1,151.97	228.14	16,236.08
Balance at 31 March 2020	683.09	7,846.56	5,454.31	973.13	1,213.89	236.07	16,407.05

(b) Security

As at 31 March 2020, property, plant and equipment with a net carrying amount of ₹ **9,218.87** lakhs (31 March 2019: ₹ 9,751.50 lakhs) are subject to first charge to secured borrowings (see note 19).

(c) For contractual commitment with respect to property, plant and equipment, refer note 37.

(d) Right-of-use assets and leases

See accounting policy in note 3(m).

The Company has adopted Ind AS 116 "Leases",effective from 1 April 2019 and applied the standard to its leases, under modified retrospective approach and on the date of transition recognised right-of-use assets equal to lease liabilities. The Company has accordingly, recognised a right-of-use asset and a corresponding lease liability amounting to ₹ 233.15 lakhs as at 1 April 2019. Further, an amount of ₹ 2,675.09 lakhs has been reclassified from non-current/ current assets to right-of-use assets for upfront operating lease payments and lease premium payable of ₹ 768.71 lakhs from liability for capital goods to lease liabilities as on the date of transition (1 April 2019).

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

In the statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous years is now recognised as depreciation expense for the right of use assets and finance cost for interest accrued on lease liabilities. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share.

The Company's lease arrangement is in respect of lands taken on lease for the period ranging between 90-99 years,office premises/godown taken on lease for the period 2 years and vehicles taken on lease for the period 2-5 years.

Following are the changes in the carrying value of right-of- use assets for the year ended 31 March 2020.

Particulars	Leasehold land	Office premises/ godown	Vehicles	Total
Balance as at 1 April 2019	-	-	-	-
On account of adoption of Ind AS 116 as at 1 April 2019	2,690.87	-	217.37	2,908.24
Additions	-	104.27	80.82	185.09
Discarded	-	-	1.60	1.60
Depreciation	30.43	52.13	92.51	175.07
Balance as at 31 March 2020	2,660.44	52.14	204.08	2,916.66

The following is the movement in lease liabilities during the year ended 31 March 2020

Particulars	As at 31 March 2020
Balance as at 1 April 2019	-
On account of adoption of Ind AS 116	1,001.86
Additions	185.09
Finance cost accrued during the period	124.26
Discarded	1.60
Payment of lease liabilities including interest	164.37
Balance as at 31 March 2020	1,145.24

The aggregate finance cost on lease liabilities is included under finance costs (refer note 31).

Particulars	As at 31 March 2020
Current lease liabilities	235.62
Non-current lease liabilities	909.62
Total	1,145.24

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis:

Particulars	As at 31 March 2020
Less than one year	255.89
One to five years	919.06
More than five years	344.87
Total	1,519.82

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company incurred ₹ **758.48** lakhs for the year ended 31 March 2020 towards expenses relating to short term leases and leases of low value assets included under Rent. (refer note 33).

The total cash outflow for leases is ₹ **922.85 lakhs** for the year ended 31 March 2020 incluiding cash outflow for short term and leases of low value assets.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

5. Capital work-in-progress

See accounting policy in note 3(d) and (g)

	31 March 2020	31 March 2019
At the beginning of the year	441.39	77,040.12
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	(73,348.65)
Additions during the year	161.64	296.27
Capitalised during the year	(206.32)	(3,546.35)
At the end of the year	396.71	441.39

Note:

(a) As at 31 March 2020, properties under capital work-in-progress with a carrying amount of ₹ **Nil** (31 March 2019: ₹ 206.32 lakhs) are subject to first charge to secured borrowings (see note 19).

6. Intangible assets

See accounting policy in note 3(e) and (g)

(a) Reconciliation of carrying amount

	Licenses (indefinite life)	Trade marks	Computer Software	Total
Cost (Gross carrying amount)				
Balance at 1 April 2018	395.00	22.87	757.90	1,175.77
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	-	(222.01)	(222.01)
Additions	175.35	-	4.62	179.97
Disposals/ discard	-	-	(6.28)	(6.28)
Balance at 31 March 2019	570.35	22.87	534.23	1,127.45
Balance at 1 April 2019	**570.35**	**22.87**	**534.23**	**1,127.45**
Additions	**-**	**-**	**210.25**	**210.25**
Adjustments*	**(100.35)**	**-**	**-**	**(100.35)**
Balance at 31 March 2020	**470.00**	**22.87**	**744.48**	**1,237.35**
Accumulated amortisation				
Balance at 1 April 2018	-	11.47	576.35	587.82
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	-	(104.88)	(104.88)
Amortisation for the year	-	4.58	25.14	29.72
Adjustments/ disposals	-	-	(2.85)	(2.85)
Balance at 31 March 2019	-	16.05	493.76	509.81
Balance at 1 April 2019	**-**	**16.05**	**493.76**	**509.81**
Amortisation for the year	**-**	**4.58**	**51.15**	**55.73**
Balance at 31 March 2020	**-**	**20.61**	**544.90**	**565.51**
Carrying amounts (net)				
Balance at 31 March 2019	570.35	6.82	40.47	617.64
Balance at 31 March 2020	**470.00**	**2.26**	**199.58**	**671.84**

Licenses (indefinite life):

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

For Licenses of the company that are regarded to have indefinite useful lives represents license to set-up and operate wood peeling plant. There is no foreseeable limit to the period over which these licenses will be valid and are expected to generate cash flows for the company.

*Adjustment represents transfer of license for setting-up a medium density fibreboard plant and particle board plant in Hardoi, Uttar Pradesh from intangibles to capital advance. National Green Tribunal (NGT) vide its order dated 18 February 2020 has quash notice dated 1 March 2019 issued by the State of Uttar Pradesh (ministry of forest) for establishing new wood-based industries/ saw mills and all provisional licenses given in pursuance thereof. Order of NGT is challenged by the State of Uttar Pradesh (ministry of forest) in Supreme Court. As on 31 March 2020, the case is pending.

7A. Investments in subsidiaries

See accounting policy in note 3(c) and (g)

	31 March 2020	31 March 2019
Non-current investments		
Unquoted		
Equity instruments in subsidiaries carried at cost		
100 (31 March 2019: 100) equity shares of Greenply Middle East Limited, (face value AED 100,000 each, fully paid-up)	1,820.39	1,820.39
38,00,000 (31 March 2019: 38,00,000) equity shares of Greenply Holdings Pte. Limited (face value USD 1 each, fully paid-up)	2,401.83	2,401.83
	4,222.22	4,222.22
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	4,222.22	4,222.22
Aggregate amount of impairment in value of investments	-	-

Information about the Company's fair value measurement and exposure to credit and market risks are disclosed in note 40 and 41.

7B. Investments

See accounting policy in note 3(c) and (g)

	31 March 2020	31 March 2019
Non-current investments		
Unquoted		
Equity instruments carried at fair value through profit and loss (FVTPL)		
11,40,000 (31 March 2019: Nil) equity shares of Nemani Panels Private Limited (face value ₹10 each, fully paid-up)	114.00	-
9,50,000 (31 March 2019: Nil) equity shares of Panchjanaya ply & Board Private Limited (face value ₹10 each, fully paid-up)	95.00	-
	209.00	-

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

	31 March 2020	31 March 2019
Quoted		
Equity instruments carried at fair value through profit and loss (FVTPL)		
3,400 (31 March 2019: 3,400) equity shares of Indian Overseas Bank Limited (face value ₹ 10 each, fully paid-up)	0.24	0.49
	209.24	0.49
Aggregate book value of quoted investments	0.24	0.49
Aggregate market value of quoted investments	0.24	0.49
Aggregate value of unquoted investments	209.00	-
Aggregate amount of impairment in value of investments	-	-

Information about the Company's fair value measurement and exposure to credit and market risks are disclosed in note 40 and 41.

8. Loans and deposits

(Unsecured, considered good)

	31 March 2020	31 March 2019
Non-current		
Security deposits	82.13	213.89
Loan to employees	45.58	32.47
To a related party - wholly owned subsidiary		
Loan to Greenply Middle East Limited (refer note 38)	2,116.52	2,211.52
	2,244.23	2,457.88
Current		
Security deposits #	307.85	-
Loan to employees	23.97	44.65
	331.82	44.65
	2,576.05	2,502.53

For security deposits given to related parties refer note 38.

9. Non-current tax assets

See accounting policy in note 3(o)

	31 March 2020	31 March 2019
Advance income tax (Net of provision for tax ₹ **21,372.09 lakhs** (31 March 2019: ₹ 19,426.22 lakhs))	1,307.77	418.61
	1,307.77	418.61

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

10. Inventories

(Valued at the lower of cost and net realisable value)

See accounting policy in note 3(f)

	31 March 2020	31 March 2019
Raw materials	6,258.89	6,387.75
[including in transit ₹ **650.90 lakhs** (31 March 2019 ₹ 1,132.24 lakhs)]		
Work-in-progress	2,700.54	2,049.23
Finished goods	1,838.06	2,868.35
[including in transit ₹ **280.47 lakhs** (31 March 2019 ₹ 1,536.67 lakhs)]		
Stock in trade	3,042.99	2,407.29
[including in transit ₹ **377.93 lakhs** (31 March 2019 ₹ 1,245.03 lakhs)]		
Stores and spares	539.77	448.02
[including in transit ₹ **Nil** (31 March 2019 ₹ 6.35 lakhs)]		
	14,380.25	14,160.64

For carrying amount of inventories pledged as securities against borrowings, refer note 19.

The write-down of inventories to net realisable value during the year amounted to ₹ **172.63 lakhs** (31 March 2019: ₹ Nil). These are recognised as expenses during the respective period and included in changes in inventories of stock-in-trade.

11. Trade receivables

	31 March 2020	31 March 2019
Current		
Unsecured		
- Considered good	31,521.36	28,825.64
- Credit impaired	1.92	16.22
	31,523.28	28,841.86
Less: Loss for allowances	730.72	504.63
Net trade receivables	30,792.56	28,337.23
Of the above :		
Trade receivables from related parties	28.76	65.31

Notes:

(a) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

(b) Information about the Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 41.

(c) For terms and conditions of trade receivables owing from related parties, see note 38.

(d) For receivables secured against borrowings, see note 19.

12. Cash and cash equivalents

See accounting policy in note 3(s)

	31 March 2020	31 March 2019
Cash on hand	48.58	23.47
Cheques in hand	171.00	1,331.95
Balances with banks		
- On current accounts	214.25	428.75
- On deposit accounts (with original maturities up to 3 months)	500.74	-
	934.57	1,784.17

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

13. Bank balances other than cash and cash equivalents

	31 March 2020	31 March 2019
Bank deposits due to mature after 3 months of original maturities but within 12 months of the reporting date*	24.44	22.13
Earmarked balances with banks for unpaid dividend accounts	6.56	3.90
	31.00	26.03

*Pledged/lodged with various government authorities as security

14. Other non-current assets

(Unsecured, considered good)

	31 March 2020	31 March 2019
Capital advances	121.54	42.74
Advances other than capital advances		
Unmatured finance charges	-	27.10
Leasehold land prepayments (refer note below)	-	2,626.51
Deposits against demand under appeal and/or under dispute	126.42	52.94
Amount due from government authorities	140.52	213.72
Security deposits	26.01	26.01
	414.49	2,989.02

Note:

Leasehold land prepayments relate to land leases classified as operating as the title is not expected to transfer at the end of the lease term and considering that the land has an indefinite economic life. With effect from 01 April 2019 the company has adopted Ind AS-116 'Lease' and accordingly upfront operating lease payments has been reclassified to right to use assets [refer note 4(d)]

15. Other financial assets

(Unsecured, considered good)

	31 March 2020	31 March 2019
Non-current		
Government grants receivable{refer note 21(b) and 46}	-	2,230.66
	-	2,230.66
Current		
Government grants receivable (refer note 15.1)	819.32	612.09
Insurance claim receivable	94.92	66.55
Other receivables (refer note 38)	114.07	-
Commision receivable from joint venture and subsidiaries (refer note 38)	50.67	41.05
Interest receivable (refer note 38)	36.90	43.64
	1,115.88	763.33
	1,115.88	2,993.99

15.1 Government grant receivable represents incentives against scheme of budgetary support under Goods and Services Tax Regime for the unit set-up in Tizit, Nagaland.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

16. Other current assets

(Unsecured, considered good)

	31 March 2020	31 March 2019
To parties other than related parties		
Advances to supplies	827.52	971.29
Advances to employees	102.16	32.36
Prepaid expenses	555.42	723.99
Unmatured finance charges	-	32.48
Leasehold land prepayments (refer note below)	-	48.58
Amount due from government authorities	291.10	120.52
	1,776.20	1,929.22

Note:

Leasehold land prepayments relate to land leases classified as operating as the title is not expected to transfer at the end of the lease term and considering that the land has an indefinite economic life.With effect from 01 April 2019 the company has adopted Ind AS-116 'Lease' and accordingly upfront operating lease payments has been reclassified to right of use assets [refer note 4(d)]

17. Equity share capital

See accounting policy in note 3(q)

	31 March 2020	31 March 2019
Authorised		
160,000,000 (31 March 2019: 160,000,000) equity shares of ₹ 1 each	1,600.00	1,600.00
Issued, subscribed and fully paid-up		
122,627,395 (31 March 2019: 122,627,395) equity shares of ₹ 1 each	1,226.27	1,226.27

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Balance at the beginning and at the end of the year	122,627,395	1,226.27	122,627,395	1,226.27

(b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares with par value of ₹ 1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Note:

Shares held in abeyance

In compliance with the provisions of the Companies Act, 2013, 3,020 equity shares of the Company held by 5 'shareholders have been held in abeyance.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

(c) Particulars of shareholders holding more than 5% shares of fully paid up equity shares

Equity shares of ₹ 1 each	31 March 2020		31 March 2019	
	Number	%	Number	%
S.M. Management Private Limited	32,715,641	26.68%	31,626,965	25.79%
Prime Holdings Private Limited	12,042,800	9.82%	12,042,800	9.82%
HSBC Bank (Mauritius) Limited - Jwalamukhi Investment Holdings	11,708,698	9.55%	11,787,720	9.61%
Shiv Prakash Mittal and Shobhan Mittal - Trade Combines	11,702,380	9.54%	11,702,380	9.54%
HDFC Trustee Company Limited	11,027,655	8.99%	10,425,455	8.50%

(d) The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.

(e) The Company for the period of five years immediately preceding the reporting date has not:

(i) Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.

(ii) Allotted fully paid up shares by way of bonus shares.

(iii) Bought back any class of shares.

18. Other equity

	31 March 2020	31 March 2019
Securities premium		
At the commencement of the year	-	4,852.03
Less: Amount adjusted pursuant to scheme of arrangement (refer note 36)	-	4,852.03
Balance at the end of the year	-	-
General reserve		
At the commencement of the year	-	29,649.20
Less: Amount adjusted pursuant to scheme of arrangement (refer note 36)	-	29,649.20
Balance at the end of the year	-	-
Retained earnings		
At the commencement of the year	31,908.15	55,777.88
Add: Profit for the year	3,259.70	6,129.22
Less: Amount adjusted pursuant to scheme of arrangement (refer note 36)	-	29,105.38
Less: Dividend on equity shares	490.51	735.76
Less: Dividend distribution tax	100.83	151.24
Add: Remeasurements of the net defined benefit plans	(106.85)	(6.57)
Balance at the end of the year	34,469.66	31,908.15
	34,469.66	31,908.15

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

Description, nature and purpose of reserve:

(i) **Securities premium**: Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.

(ii) **General reserve**: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes or as allowed by the Companies Act, 2013.

(iii) **Retained earnings**:Retained earnings are the profits by the company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders. It also includes remeasurement gain/loss of defined benefit plan.

19. Borrowings

See accounting policy in note 3(c) and (p)

	31 March 2020	31 March 2019
Non-current borrowings		
Secured		
Term loans from Bank		
Rupee loans	3,297.81	4,396.19
	3,297.81	4,396.19
Less: Current maturities of non-current borrowings (refer note 20)	1,199.00	1,098.37
	2,098.81	3,297.82
Loan against vehicles	467.16	539.08
Less: Current maturities of loan against vehicles (refer note 20)	181.66	220.68
	285.50	318.40
	2,384.31	3,616.22
Current borrowings		
Secured		
From banks		
Foreign currency loan - buyers credit	1,631.82	826.26
Rupee loans - repayable on demand	4,190.87	3,153.57
Rupee loans - bill discounting	3,339.99	3,418.93
	9,162.68	7,398.76
Unsecured		
From banks		
Channel finance assurance facility*	650.00	800.00
Rupee loans - bill discounting	731.15	1,130.36
	1,381.15	1,930.36
From Others		
Channel finance assurance facility*	-	100.00
	-	100.00
	10,543.83	9,429.12

* The Company through banks and other source facilitate channel finance for inventory funding facility for its customers. Such arrangements do not qualify for de-recognition due to some liability of loss is still with the Company. Consequently at the year-end, the amount of liability of loss which remains with the Company are shown as unsecured loan.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

Information about the Company's exposure to credit and currency risks, related to borrowings are disclosed in note 41.

(A) Terms of repayment

Name of the lender	Interest rate	Repayment schedule	Year of maturity	31 March 2020	31 March 2019
Rupee term loans					
HDFC Bank Limited	3 year MCLR	Repayable at quarterly rest: 10 of ₹ 150.00 lakhs and 4 of ₹ 300.00 lakhs	2023-24	2,697.93	2,996.88
HDFC Bank Limited	1 year MCLR +0.60%	Repayable at quarterly rest: 3 of ₹ 200.00 lakhs	2020-21	599.88	1,399.31
				3,297.81	4,396.19
Total				3,297.81	4,396.19

(B) Details of security

(a) Term loans of ₹ **3,297.81 lakhs** (31 March 2019: ₹ 4,396.19 lakhs) are secured by:

i) First pari-passu charge on immovable fixed assets of the Company situated at Kriparampur (West Bengal).

ii) First pari passu charge on all movable fixed assets of the company, present and future, except assets specifically charged to other lenders.

iii) Second pari passu charge on all the current assets of the Company.

(b) Secured Loan against vehicles are in respect of finance of vehicles, secured by hypothecation of the respective vehicles, which is repayable in 37 to 60 months and with interest rate ranging between 6.90% p.a to 9.44% p.a.

(c) Rupee loan repayable on demand of ₹ **4,190.87 lakhs** (31 March 2019: ₹ 3,153.57 lakhs) are secured by:

i) First pari passu charge on all the current assets of the Company.

ii) Second pari passu charge on all movable fixed assets of the company, present and future, except assets specifically charged to other lenders.

iii) Second pari-passu charge on immovable fixed assets of the Company situated at Kriparampur (West Bengal).

(d) Foreign currency loan - buyers credit of ₹ **1,631.82 lakhs** (31 March 2019: ₹ 826.26 lakhs) and Rupee loans - bill discounting of ₹ **3,339.99 lakhs** (31 March 2019: ₹ 3,418.93 lakhs) is secured by letter of credit/ stand by letter of credit issued by banks using fund based limit of the Company.

20. Other financial liabilities

	31 March 2020	31 March 2019
Non-current		
Security deposits from customers	1.00	16.50
Liability for capital goods	-	768.71
	1.00	785.21
Current		
Current maturities of non current borrowings (refer note 19)	1,199.00	1,098.37
Current maturities of loan against vehicles (refer note 19)	181.66	220.68
Interest accrued but not due on borrowings	48.64	12.14
Liability for capital goods	46.07	160.69
Employee benefits payable (refer note (c) below)	1,206.95	1,523.91
Unclaimed dividend	6.56	3.90
	2,688.88	3,019.69

(a) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31 March 2020.

(b) Information about the Company's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in note 41.

(c) It includes remuneration payable to related parties, refer note 38.

21. Provisions

See accounting policy in note 3(i) and (j)

	31 March 2020	31 March 2019
Non-current		
Provisions for employee benefits		
Net defined benefit liability - gratuity	-	104.79
Liability for compensated absences	517.59	400.22
	517.59	505.01
Current		
Provision for litigation {refer note (a) below}	2897.80	-
Provisions for employee benefits		
Net defined benefit liability - gratuity	13.58	-
Liability for compensated absences	48.15	47.08
	2,959.53	47.08

(a) Movement of provisions (current)

	Provision for litigation
Balance as at 1 April 2018	-
Add: Provisions made during the year 2018-19	-
Less: Amount utilised/ reversed during the year 2018-19	-
Balance as at 31 March 2019	-
Add: Provisions made during the year 2019-20 {refer note (b) below}	2,897.80
Less: Amount utilised/ reversed during the year 2019-20	-
Balance as at 31 March 2020	2,897.80

(b) 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. The Company is one of the Respondents in the subject matter. Based on the management's assessment, the Company may have to refund maximum principal amount of INR 2,709.36 lakhs in respect of excess refund received from the Excise Department for the period from 01.04.2008 to 30.06.2017. Further, the Company has estimated an interest amount of INR 2,120.31 lakhs from the date of various refund till 31.03.2020 at the prescribed rate. However, the applicability of interest is litigative in nature. The Company also draw reference to 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, as per which the above principal amount along with interest, if any, shall be shared by Greenply Industries Limited and Greenpanel Industries Limited in the ratio of 60:40. Therefore, the Company has recorded provision of its share of 60% for principal and interest amounting to ₹ 1,625.62 lakhs and ₹ 1,272.18 lakhs respectively. In addition to the above, the Company has also written off amount of ₹ 2,099.25 lakhs in respect of pending refund receivable from the Excise Department for the period from 01.04.2008 to 16.05.2015, as appearing in the books. Accordingly, the total impact of the aforesaid judgment in the financial statement for the year ended 31 March 2020 is ₹ 4,997.05 lakhs.

(All Amount in ₹ Lakhs, unless otherwise stated)

Considering the nature and size of transaction, the Company has disclosed the above mentioned impact as an "exceptional items" in the financial statement for the year ended 31 March 2020. The Company continues to work with its legal counsel on this matter and will take all the necessary steps as may be appropriate from time to time.

22. Trade payables

	31 March 2020	31 March 2019
Dues to micro and small enterprises (refer note 45)	184.16	83.15
Dues to other than micro and small enterprises	17,160.64	17,342.08
Dues to related parties (refer note 38)	1,367.57	3,450.86
Acceptances	3,128.73	3,272.82
	21,841.10	24,148.91

Information about the Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 41.

23. Derivatives

See accounting policy in note 3(c)(v)

	31 March 2020	31 March 2019
Derivative liability		
Foreign exchange forward contracts		88.54
	-	88.54
Derivative asset		
Foreign exchange forward contracts	137.00	-
	137.00	-

Information about the Company's exposure to currency risks related to derivatives is disclosed in note 41.

24. Other current liabilities

	31 March 2020	31 March 2019
Statutory dues	1,182.48	1,979.84
Advance from customers*	377.88	450.93
	1,560.36	2,430.77

*The advance from customers (contract liabilities) outstanding at the beginning of the year has been recognised as revenue during the year ended 31 March 2020.

25. Revenue from operations

See accounting policy in note 3(k) and (l)

	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from contracts with customers		
Sale of products		
Finished goods	90,720.70	92,749.54
Stock-in-trade	35,586.38	34,826.06
	126,307.08	127,575.60
Other operating revenue		
Government grants		
- Refund of goods and service tax and excise duty (refer note 46)	460.78	803.23

(All Amount in ₹ Lakhs, unless otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
	460.78	803.23
	126,767.86	128,378.83
Reconciliation of revenue from sale of products with the contracted price	Year ended	Year ended
	31 March 2020	31 March 2019
Contracted price	134,565.40	134,180.10
Less : Reduction towards variable consideration components.	8,258.32	6,604.50
Sale of products	126,307.08	127,575.60

a) The Company is in the business of manufacture and sale of plywood and allied products.Sales are recognised when control of the products has transferred, being when the products are dispatched/delivered to the dealer, the dealer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the dealer's acceptance of the products. The Company does not give significant credit period resulting in no significant financing component.

b) For contract balances i.e. trade receivables and advance from customers, refer note 11 and 24.

26. Other income

	Year ended 31 March 2020	Year ended 31 March 2019
Interest on fixed deposits with banks and others	57.07	7.45
Income from related party:		
- Interest on loan given to wholly owned subsidiaries (refer note 38)	153.14	181.05
- Commission on guarantee given to wholly owned subsidiaries and joint venture (refer note 38)	202.98	200.63
Liabilities no longer required written back	77.67	110.64
Rental income from property	-	0.60
Foreign exchange fluctuations(net)	122.64	-
Miscellaneous income	5.22	145.54
	618.72	645.91

27. Cost of materials consumed

	Year ended 31 March 2020	Year ended 31 March 2019
Inventory of raw materials at the beginning of the year	6,387.75	9,484.57
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	(4,651.15)
Add: Purchases	49,525.56	52,333.71
Less: Inventory of raw materials at the end of the year	(6,258.89)	(6,387.75)
	49,654.42	50,779.38

28. Purchase of stock in trade

	Year ended 31 March 2020	Year ended 31 March 2019
Purchase of stock-in-trade	27,714.84	30,604.65
	27,714.84	30,604.65

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

29. Changes in inventories of finished goods, work-in-progress and stock in trade

See accounting policy in note 3(f)

	Year ended 31 March 2020	Year ended 31 March 2019
Opening inventories		
Finished goods	2,868.35	3,705.19
Stock in trade	2,407.29	3,858.79
Work-in-progress	2,049.23	2,085.27
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	(3,536.78)
(A)	7,324.87	6,112.47
Closing inventories		
Finished goods	1,838.06	2,868.35
Stock in trade	3,042.99	2,407.29
Work-in-progress	2,700.54	2,049.23
(B)	7,581.59	7,324.87
(A-B)	(256.72)	(1,212.40)

30. Employees benefits expense

See accounting policy in note 3(i)

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus	13,026.80	12,647.33
Contribution to provident and other funds	647.46	511.52
Expenses related to post-employment defined benefit plan	188.11	245.32
Expenses related to compensated absences	352.38	340.41
Staff welfare expenses	345.08	306.07
	14,559.83	14,050.65

Salaries, wages and bonus includes ₹ **2,708.57 lakhs** (31 March 2019 ₹ 2,743.80 lakhs) relating to outsource manpower cost.

Note:

(a) **Defined contribution plan :** The Company makes contributions to a government administered fund, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Standalone Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund aggregates to ₹ **602.20 lakh**s (31 March 2019: ₹489.64 lakhs).

The Company contributes its Employee State Insurance (ESI) contribution with Employees' State Insurance Corporation (ESIC) maintained by Government agencies, contributions made by the Company for ESI is based on the current salaries. In the ESI scheme, contributions are also made by the employees. The annual contribution amount of ₹ **45.26 lakhs** (31 March 2019: ₹ 55.16 lakhs) has been charged to the Standalone Statement of Profit and Loss in relation to the above defined contribution scheme.

(b) **Defined benefit plan:** Retirement benefits in the form of gratuity is considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with insurance.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

(c) Acturial valuation of gratuity liability

	Year ended 31 March 2020	Year ended 31 March 2019
Defined benefit cost		
Current service cost	182.47	150.99
Interest expense on defined benefit obligation	96.58	94.33
Interest income on plan assets	(90.94)	-
Defined benefit cost in Statement of Profit and Loss	188.11	245.32
Remeasurements from financial assumptions	97.08	21.96
Remeasurements from experience adjustments	58.55	(3.11)
Remeasurements from financial assumption on plan assets	(12.86)	(8.75)
Defined benefit cost in Other Comprehensive Income (OCI)	142.78	10.10
Total defined benefit cost in Statement of Profit and Loss and OCI	330.89	255.42
Movement in defined benefit obligation		
Balance at the beginning of the year	1,403.89	1,913.17
Interest cost	96.58	94.33
Current service cost	182.48	150.99
Actuarial (gains)/ losses recognised in other comprehensive income	155.63	18.85
Benefits paid	(48.36)	(170.80)
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	(602.65)
Balance at the end of the year	1,790.22	1,403.89
Movement in fair value of plan assets		
Balance at the beginning of the year	1,299.10	-
Interest income	90.94	
Employer contributions	422.10	1,461.15
Benefit paid from employer	(48.36)	(170.80)
Return on plan assets	12.86	8.75
Balance at the end of the year	1,776.64	1,299.10
Net asset/(liability) recongnised in the Standalone Balance Sheet		
Present value of defined benefit obligation	(1,790.22)	(1,403.89)
Fair value of plan asset	1,776.64	1,299.10
Net asset/(liability)	(13.58)	(104.79)
Sensitivity analysis for significant assumptions :		
Increase/(Decrease) in present value of defined benefit obligation at the end of the year		
Salary escalation - Increase by 1%	144.89	117.45
Salary escalation - Decrease by 1%	(131.31)	(103.83)
Withdrawal rates - Increase by 1%	3.82	9.56
Withdrawal rates - Decrease by 1%	(8.36)	(11.07)
Discount rates - Increase by 1%	(124.70)	(98.40)
Discount rates - Decrease by 1%	139.29	112.61
Actuarial assumptions		
Mortality table	IALM 2006-2008	IALM 2006-2008
Discount rate (per annum)	7.00%	7.70%
Rate of escalation in salary (per annum)	6.00%	6.00%
Withdrawal rate	1% - 8%	1% - 8%
Maturity profile of defined benefit obligation		
Not later than 1 year	243.91	220.62

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
Later than 1 year and not later than 5 years	771.57	723.09
More than 5 years	2,308.05	522.24
Weighted average duration of defined benefit obligation (in years)	4.95	4.80

(d) The major categories of plan assets as a percentage of the fair value of total plan assets

	In %	In %
Fund with HDFC Life Insurance Company Limited	71.90%	66.01%
Fund with Kotak Mahindra Life Insurance Company Limited	28.10%	33.99%
	100.00%	100.00%

(e) The Company's expected contribution during next year is ₹ **169.60 lakhs** (March 31,2019 ₹ Nil)

31. Finance costs

See accounting policy in note 3(p)

	Year ended 31 March 2020	Year ended 31 March 2019
Interest expense on financial liabilities measured at amortised cost	1,471.38	1,432.65
Interest on lease liabilities {refer note 4(d)}	124.26	-
Other borrowing cost	89.55	71.79
Less: Finance cost capitalised (refer note 5)	-	(23.85)
	1,685.19	1,480.59

32. Depreciation and amortisation expense

See accounting policy in note 3(d)(iii) and (e)(iii)

	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of property, plant and equipment	1,875.80	1,842.01
Depreciation of right of use assets {refer note 4(d)}	175.07	-
Amortisation of intangible assets	55.73	29.72
	2,106.60	1,871.73

33. Other expenses

		Year ended 31 March 2020		Year ended 31 March 2019
Consumption of stores and spares		1,193.84		1,163.17
Power and fuel		2,208.12		2,229.60
Rent {refer note 4(d)}		758.48		958.13
Repairs to:				
- Buildings		133.27		137.76
- Plant and equipment		602.19		511.37
- Others		516.91		391.64
Insurance		449.23		207.80
Rates and taxes		313.78		136.04
Travelling expenses		979.15		1,019.23
Freight and delivery expenses		6,546.79		6,835.51
Export expenses		0.80		2.40
Advertisement and sales promotion		5,096.27		5,888.62
Commission paid to independent directors		55.00		27.50
Directors sitting fees		27.20		16.50
Payment to auditors [refer note 33 (i)]		71.49		64.00
Donation		7.60		17.48
Expenditure on corporate social responsibility [refer note 33 (ii)]		328.19		380.60
Loss on sale and discard of property, plant and equipment		52.28		201.71
Amortisation of leasehold land prepayments		-		29.88
Loss on fair valuation of investments at fair value through profit and loss		0.25		0.10
Legal and professional fees		514.67		406.67
Commission expenses		748.42		141.35
Loss allowance				
- Bad debts	171.84		205.32	
- loss allowance	226.09		(108.95)	
		397.93		96.37
Foreign exchange fluctuations(net)		-		77.32
Miscellaneous expenses		1,319.34		1,228.35
		22,321.20		22,169.10

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

33 (i) Payment to auditors

	Year ended 31 March 2020	Year ended 31 March 2019
As auditors:		
- Statutory audit fees	34.00	35.00
- Limited review of quarterly results	9.50	6.00
In other capacity		
- Certification fees	3.50	1.87
- Other services	21.00	17.58
Reimbursement of expenses	3.49	3.55
	71.49	64.00

33 (ii) Details of corporate social responsibility (CSR) expenditure

	Year ended 31 March 2020	Year ended 31 March 2019
(a) Gross amount required to be spent by the Company during the year	325.33	379.59

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

(b) Amount spent during the year in cash on :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above		
- Contribution towards Plantation activities	10.19	56.10
- Contribution to trust i.e. Greenply Foundation	318.00	324.50
	328.19	380.60
Amount yet to be paid in cash	-	-

34. Income tax and deferred tax net (assets) / liability

See accounting policy in note 3(o)

	Year ended 31 March 2020	Year ended 31 March 2019
(a) Amount recognised in Profit and Loss		
Current tax	1,945.87	2,292.90
Income tax	1,945.87	2,292.90
Deferred tax	(601.40)	707.09
Mat credit utilised	-	151.83
Deferred tax	(601.40)	858.92
Tax expense in Statement of Profit and Loss	1,344.47	3,151.82
Deferred tax in other comprehensive income	(35.93)	(3.53)
Tax expense in Total Comprehensive Income	1,308.54	3,148.29
(b) Reconciliation of effective tax rate for the year		
Profit before tax	4,604.17	9,281.04
Applicable Income tax rate	25.168%	34.944%
Tax impact relating to :		
Computed tax expense	1,158.78	3,243.17
Tax exempt income/ Additional deduction as per income tax	-	59.75
Impact of tax rate change	114.97	-
Non-deductible expenses for tax purposes	45.33	(148.58)
Other differences	25.39	(2.52)
Tax expense in Statement of Profit and Loss	1,344.47	3,151.82

Impact of tax rate change

The Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised current tax expense for the year ended 31 March 2020 and remeasured it's deferred tax assets (net) basis the rate prescribed in the said section.

(c) Movement in deferred tax liabilities and assets balances:

Deferred tax assets (net)	31 March 2020	31 March 2019
Deferred tax liabilities	291.21	312.41
Less: Deferred tax assets	(1,339.49)	(723.36)
	(1,048.28)	(410.95)

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

(d) Movement in deferred tax (asset) / liability

Movement in deferred Tax Asset / liability	1 April 2019	Movement through Statement of Profit and Loss	Movement through Other Comprehensive income	31 March 2020
Deferred tax liabilities				
Property, plant and equipment and intangible assets	312.41	(21.20)		291.21
Deferred tax assets				
Provisions for employee benefits	(197.31)	33.99	(35.93)	(199.25)
Expenses allowed for tax purposes when paid	(220.90)	(667.52)		(888.42)
Provision for doubtful debts	(225.01)	11.81		(213.20)
Other temporary differences	(80.14)	41.52		(38.62)
	(410.95)	(601.40)	(35.93)	(1,048.28)

Movement in deferred tax asset / liability	1 April 2018	Balance transferred pursuant to scheme of demerger (refer note 36)	Movement through Statement of Profit and Loss	Movement through Other Comprehensive income	31 March 2019
Deferred tax liabilities					
Property, plant and equipment and intangible assets	4,696.72	(4,440.56)	56.25	-	312.41
Deferred tax assets					
Provisions for employee benefits	(1,208.16)	438.31	576.07	(3.53)	(197.31)
Expenses allowed for tax purposes when paid	(220.90)	-	-	-	(220.90)
Provision for doubtful debts	(392.26)	90.64	76.61	-	(225.01)
Other temporary differences	(78.38)	0.08	(1.84)	-	(80.14)
Minimum Alternate Tax (MAT) credit	(151.83)	-	151.83	-	-
	2,645.19	(3,911.53)	858.92	(3.53)	(410.95)

35. Earnings per share

	Year ended 31 March 2020	Year ended 31 March 2019
Basic and diluted earnings per share		
(i) Profit for the year, attributable to the equity shareholders	3,259.70	6,129.22
(ii) Weighted average number of equity shares		
- Number of equity shares at the beginning of the year	122,627,395	122,627,395
- Number of equity shares at the end of the year	122,627,395	122,627,395
Weighted average number of equity shares	122,627,395	122,627,395
Basic and diluted earnings per share (₹) [(i)/(ii)]	2.66	5.00

36. Composite Scheme of Arrangement

(a) Description

Pursuant to the Composite Scheme of Arrangement (the 'Scheme'), duly sanctioned by the National Company Law Tribunal (NCLT), Guwahati Bench vide Order dated 28 June 2019 ("Order"), with effect from the Appointed Date i.e., 1st April 2018, the Medium Density Fibreboards and allied products business of Chittoor unit, Andhra Pradesh and Medium Density Fiberboards, Plywood and allied products business of Pantnagar unit, Uttarakhand, branches/administrative and marketing offices of the above respective businesses of the Company ('the transferred business') including investment in wholly

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

owned subsidiary - Greenpanel Singapore Pte Ltd., Singapore (formerly known as Greenply Trading Pte. Limited), excluding investments of Greenpanel Singapore Pte. Limited in Greenply Alkemal (Singapore) Pte. Limited (registered in Singapore) of USD 37,50,000 (37,50,000 ordinary shares of USD 1 each), stands transferred into the "Greenpanel Industries Limited", wholly owned subsidiary ('the resulting company' or 'Greenpanel').

The standalone financial statements of the Company for the year ended 31 March 2019 were approved by the Board of Directors at its meeting held on 30 May 2019 without giving effect to the Scheme considering pending receipt of the order from the NCLT. On receipt of the order dated 28 June 2019 from NCLT sanctioning the Scheme, with appointed date 1 April 2018, and upon filing the same with Registrar of Companies, Assam on 1 July 2019 the Scheme has become effective. Accordingly, the standalone financial statements approved on 30 May 2019 by the Board of Directors has been revised by the Company to give effect to the aforesaid Order from the Appointed date of 1 April 2018.

As per the order, the Scheme has been considered in these standalone financial statements by transferring the carrying amount of assets and liabilities pertaining to the transferred business with effect from the Appointed Date.

(b) The whole of the assets and liabilities of the transferred business became the assets and liabilities of the resulting company and were transferred at their book value as per the Order, as appearing in the books of the Company with effect from the appointed date (i.e. 1 April 2018). The details of assets and liabilities transferred to the resulting company are as under:

	As at 1 April 2018
Non-current assets	
Property, plant and equipment (net of accumulated depreciation)	35,500.11
Capital work-in-progress	73,348.65
Other intangible assets (net of accumulated amortisation)	117.13
Financial assets	
Investments	3,432.00
Loans	1,042.39
Other non-current assets	2,319.98
	115,760.26
Current assets	
Inventories	10,207.37
Financial assets	
Trade receivables	5,729.99
Cash and cash equivalents	398.88
Bank balances other than cash and cash equivalents	33.65
Loans	81.44
Derivatives	125.97
Other financial assets	1,501.86
Other current assets	4,747.26
	22,826.42
Total assets of transferred business (A)	138,586.68
Non-current liabilities	
Financial liabilities	
Borrowings	40,919.40
Other financial liabilities	1,057.53
Provisions	786.77
Deferred tax liabilities (net)	3,911.53
Other non-current liabilities	4,991.70
	51,666.93
Current liabilities	
Financial liabilities	
Borrowings	3,047.50
Trade payables	8,653.13
Other financial liabilities	7,812.17
Other current liabilities	3,603.65
Provisions	196.69
	23,313.14
Total liabilities of transferred business (B)	74,980.07
Net amount adjusted through corresponding debit to other equity as per the Order (A-B)	63,606.61

(c) Pursuant to the Order, the difference between the book value of the assets and liabilities transferred to the resulting company (Greenpanel) has been debited to the following reserves of the the Company:

Particulars	Amount
Securities premium	4,852.03
General reserve	29,649.20
Retained earnings	29,105.38
	63,606.61

(d) Details of the contingent liabilities and commitments transferred to the resulting company are as under:

Particulars	Amount
Claims against the Company not acknowledged as debts:	
(i) Excise duty, sales tax and other indirect tax in dispute	983.39
Capital and other commitments	
(i) Estimated amount of export obligations to be fulfilled in respect of goods imported under advance license/ Export Promotion Capital Goods scheme (EPCG)	45,596.47
(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4,145.24

(e) Pursuant to the Order, Greenpanel Industries Limited issued and allotted equity shares to the shareholders of the Company whose name appears in the register of members of the Company as on the record date (i.e. 15 July 2019), 1(one) equity share of ₹ 1 each in Greenpanel credited as fully paid up for every 1 (one) equity share of ₹ 1 each held by them in the Company. Consequent to the allotment of new shares as per the Scheme, current investment of 10 lakhs equity shares of ₹ 1 each of the Greenpanel amounting to ₹ 10.00 lakhs held by the Company stands cancelled. Greenpanel has ceased to be subsidiary of the Company with effect from 01 April 2018.

(f) The transactions pertaining to the transferred business of the Company from the appointed date upto the effective date (01 July 2019) of the Scheme have been deemed to be made by Greenpanel.

(g) As per the Order, the immovable assets of the Company stands free from all charges, mortgages and encumbrances relating to liabilities relating to transferred business which stands transferred to Greenpanel. The Company had created charges over its immovable assets (including those which now belong to Greenpanel) under section 77 of the Companies Act, 2013 in respect of certain credit facilities taken from various banks for itself and for various undertakings of Greenpanel. Greenpanel enjoys credit facilities by the subsisting charges, mortgages and encumbrances over immovable assets retained by the Company. Till creation/modification/satisfaction of Charges, as the case may be, in favour of the various banks of the respective Companies in terms of the applicable provisions of the Companies Act, 2013, the banks of the Company shall continue to hold their respective charge over the immovable assets of the Greenpanel and vice versa. Also as per the terms of the aforesaid scheme, amongst other things, greenpanel has been operating and using certain bank accounts/borrowing facilities with effect from 01 July,2019, post the demerger, which were hitherto maintained and operated by the Company.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

The Company is in process of changing the account holder name of these bank accounts/borrowing facilities in bank records, which are still in name of the Company.

37. Contingent liabilities and commitments

(to the extent not provided for)

	31 March 2020	31 March 2019
Contingent liabilities		
(a) Claims against the Company not acknowledged as debts:		
(i) Excise duty, sales tax and other indirect tax in dispute	2,830.84	2,314.99
(ii) Consumer court cases in dispute	20.47	61.81

(b) The Supreme Court, in a judgement dated 28 February 2019, has stipulated the components of salary that need to be taken into account for computing the contribution to provident fund under the Employees Provident Fund Act,1952. The Company is awaiting clarification in interpreting aspects of the judgement and effective date of its application from the government authorities. The Company will account for the impact of the judgement after such clarity and does not expect the impact to be material.

	31 March 2020	31 March 2019
(c) Guarantees outstanding		
(i) Guarantee given to bank in respect of financial assitance to a joint venture company and step down wholly owned subsidiary	6,850.87	6,336.56
(ii) Standby letter of credit issued on behalf of the Company to secure the financial assistance to its subsidiary	6,718.10	6,178.43

Guarantee outstanding:

The Company has issued guarantee in favour of banker on behalf of its step down subsidiary company Greenply Gabon SA for the purpose of availing term loan.This guarantee was issued in Euro.

The Company had issued guarantee in favour of banker on behalf of its joint venture company - Greenply Alkemal (Singapore) Pte. Limited for the purpose of availing working capital loan. This guarantee was issued in USD.

The Company had issued counter guarantee in favour of banker on behalf of its wholly owned subsidiary company - Greenply Middle East Limited, for the purpose of availing working capital loan. This guarantee was issued in USD.

Capital and other commitments

	31 March 2020	31 March 2019
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	69.49	77.82

Claim against the Company not acknowledged as debt:

Cash outflows for the above are determinable only on receipt of judgments pending at various forums/ authorities. The Company has reviewed all its pending litigations and preceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

38. Related party disclosure

a) Related parties where control exists

Wholly owned subsidiary company:

i) Greenply Holdings Pte. Limited, Singapore

ii) Greenply Middle East Limited, Dubai

iii) Greenply Gabon SA, Gabon (Subsidiary of Greenply Middle East Limited, Dubai)

Company in which a Subsidiary is a Joint Venture Partner:

i) Greenply Alkemal (Singapore) Pte. Limited, Singapore

(Joint venture of Greenply Holdings Pte. Limited, Singapore with Alkemal Singapore Pte. Limited, Singapore) (w.e.f 16.10.2018)

(Joint venture of Greenpanel Singapore Pte. Limited, Singapore with Alkemal Singapore Pte. Limited, Singapore) (till 15.10.2018)

ii) Greenply Industries (Myanmar) Private Limited (Wholly owned subsidiary of Greenply Alkemal (Singapore) Pte. Limited.)

b) Related parties with whom transactions have taken place during the year.

(i) Key Management Personnel (KMP)

i) Mr. Shiv Prakash Mittal, Executive Chairman (till 18 July 2019)

ii) Mr. Rajesh Mittal, Chairman cum Managing Director (w.e.f 14 August 2019) (Managing Director till 13 August 2019)

iii) Mr. Shobhan Mittal, Joint Managing Director & CEO (till 18 July 2019)

iv) Mr. Sanidhya Mittal, Joint Managing Director (w.e.f 14 August 2019) (Executive Director till 13 August 2019)

v) Mr. Manoj Tulsian, Joint Managing Director & CEO (w.e.f 11 February 2020)

vi) Mr. V. Venkatramani, Chief Financial Officer (till 18 July 2019)

vii) Mr. Mukesh Agarwal, Chief Financial Officer (w.e.f 14 August 2019)

viii) Mr. Kaushal Kumar Agarwal, Company Secretary & Vice President - Legal

(ii) Non- executive Directors

i) Mr. Susil Kumar Pal, Independent Director

ii) Mr. Vinod Kumar Kothari, Independent Director

iii) Mr. Anupam Kumar Mukerji, Independent Director

iv) Mr. Upendra Nath Challu, Independent Director

v) Ms. Sonali Bhagwati Dalal, Independent Director

(iii) Relatives of Key Management Personnel (KMP)

i) Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal) (till 18 July 2019)

ii) Mrs. Surbhi Poddar (Daughter of Mr. Rajesh Mittal)

(iv) Enterprises controlled by Key Management Personnel or their relatives

i) Prime Holdings Private Limited

ii) Trade Combines (Partnership Firm)

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

iii) RS Homcon Limited

iv) Mastermind Shoppers Private Limited

v) Greenlam Industries Limited

vi) Greenpanel Singapore Pte. Limited, Singapore (Formally known as Greenply Trading Pte. Limited) (w.e.f 1April 2018)

vii) Greenpanel Industries Limited, India (w.e.f 1April 2018)

c) Related party transactions

Name of the related party	Nature of transaction	31 March 2020	31 March 2019
Greenpanel Singapore Pte. Limited, (Formerly known as (Greenply Trading Pte. Limited)	Commission on guarantee	-	10.68
Greenply Middle East Limited	Purchase of products	3,036.03	2,650.38
	Commission on guarantee	137.44	124.52
	Guarantee given	-	345.55
	Interest income	153.14	181.05
	Loan given	-	671.38
	Loan refund	280.35	215.82
Greenply Holdings Pte. Limited	Investment	-	2,385.09
Greenply Alkemal (Singapore) Pte. Limited	Purchase of products	1,112.90	735.33
	Commission on guarantee	21.63	21.04
Greenply Gabon SA	Commission on guarantee	43.91	44.39
	Sale of stores and spares	28.76	66.53
Greenpanel Industries Limited	Purchase of products	82.81	4,416.03
Greenlam Industries Limited	Purchase of products	38.99	-
Mr. Rajesh Mittal	Remuneration	360.72	379.68
	Rent paid	4.17	-
	Security deposit given	2.50	-
Mr. Sanidhya Mittal	Remuneration	146.40	193.06
	Rent paid	4.17	-
Mr. Manoj Tulsian	Remuneration	29.81	-
Mr. Kaushal Kumar Agarwal	Remuneration	55.34	52.66
Mr. Mukesh Agarwal	Remuneration	66.98	-
Mr. Anupam Kumar Mukerji	Remuneration	16.75	16.50
Mr. Susil Kumar Pal	Remuneration	17.75	17.60
Mr. Upendra Nath Challu	Remuneration	17.50	17.10
Mr. Vinod Kumar Kothari	Remuneration	18.00	17.00
Ms. Sonali Bhagwati Dalal	Remuneration	12.20	11.80
Mrs. Karuna Mittal	Rent paid	4.17	-
Mrs. Surbhi Poddar	Remuneration	26.49	22.76
Prime Holdings Private Limited	Rent paid	-	4.81
	Security deposit refund	-	13.20
	Purchase of assets	578.09	-
RS Homcon Limited	Rent paid	12.65	10.60
	Security deposit given	-	1.07
Trade Combines	Rent paid	-	2.71
Mastermind Shoppers Private Limited	Rent paid	18.50	17.62

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

d) Outstanding balances

Name of the related party	Nature of transaction	31 March 2020	31 March 2019
Greenply Middle East Limited	Loan given	2,116.52	2,211.52
	Purchase of products	1,182.62	1,864.85
	Guarantee given	6,718.10	6,178.43
	Interest on Loan	36.90	43.64
	Commission on guarantee	33.59	30.47
Greenply Alkemal (Singapore) Pte. Limited	Purchase of products	176.73	440.78
	Guarantee given	2,267.70	2,073.30
	Commission on guarantee	5.65	-
Greenply Gabon SA	Guarantee given	4,583.17	4,263.26
	Commission on guarantee	11.43	10.58
	Sale of stores and spares	28.76	65.31
Greenlam Industries Limited	Purchase of products	8.22	-
Greenpanel Industries Limited	Purchase of products	-	1,145.23
	Other receivables	114.07	-
Mr. Rajesh Mittal	Remuneration	-	146.02
	Security deposit given	2.50	-
Mr. Sanidhya Mittal	Remuneration	-	146.02
RS Homcon Limited	Security deposit given	2.57	2.57
Trade Combines	Security deposit given	-	2.40
Mastermind Shoppers Private Limited	Security deposit given	2.90	2.90

e) Key Management Personnel compensation

Key management personnels compensation comprised of the following:

Nature of transaction	31 March 2020	31 March 2019
Short-term employee benefits	560.88	595.51
Other long-term benefits	98.37	29.89
Total compensation paid to key management personnel	659.25	625.40

As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above. Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the KMPs are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

f) Terms and conditions of transactions with related parties

Purchase and sales from/to 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 is unsecured and settlement occurs in cash.

The Company has not recorded any impairment of receivables relating to amounts owed by a 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 loan given to related parties is made in the ordinary course of business and on terms at arm's length price. Outstanding balances at the year-end is unsecured and settlement occurs in cash. The interest on loan given to subsidiaries is fixed at arm length rate at 12 months USD Libor plus 500 basis points.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

The guarantee given to related parties is made in the ordinary course of business and on terms at arm's length price. The commission on such guarantee has been recovered at arm length price as per safe harbour rules of Income Tax Act,1961.

g) **Details of loans, investments and guarantee covered under Section 186(4) of the Companies Act, 2013**

(i) **Details of loans**

Loan given to Greenply Middle East Limited bears interest rate of 12 months USD Libor plus 5% p.a. and is repayable at various dates on or before 11 February 2024 and the said loan has been given for business requirements. (refer note 8).

(ii) **Details of investments**

Particulars of investments as required under Section 186(4) of the Companies Act, 2013 have been disclosed in note 7A.

(iii) **Details of guarantee given / (closed) during the year :**

Name of the Company	Date of undertaking	Purpose	31 March 2020
Greenply Middle East Limited	25 January 2020	Short-term loan facility	755.90
Greenply Middle East Limited	04 December 2019	Short-term loan facility	(795.55)

Name of the Company	Date of undertaking	Purpose	31 March 2019
Greenply Middle East Limited	18 May 2018	Short-term loan facility	345.55

39. Accounting classifications and fair values

See accounting policy in note 3(c) and 3(w)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Standalone Balance Sheet are as follows:

Financial assets at amortised cost	31 March 2020		31 March 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Investments	4,222.22	4,222.22	4,222.22	4,222.22
Loans and deposits	2,576.05	2,576.05	2,502.53	2,502.53
Other financial assets	1,115.88	1,115.88	2,993.99	2,993.99
Trade receivables	30,792.56	30,792.56	28,337.23	28,337.23
Cash and cash equivalents	934.57	934.57	1,784.17	1,784.17
Bank balances other than cash and cash equivalents	31.00	31.00	26.03	26.03
	39,672.28	39,672.28	39,866.17	39,866.17
Financial assets at fair value through profit and loss				
Level 1				
Investments	0.24	0.24	0.49	0.49
Level 2				
Derivatives	137.00	137.00	-	-
Level 3				
Investments	209.00	209.00	-	-
	346.24	346.24	0.49	0.49
Total Financial Assets	40,018.52	40,018.52	39,866.66	39,866.66

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

Financial liabilities at amortised cost				
Non-current				
Borrowings (including current maturities of non current borrowings)	14,308.80	14,308.80	14,364.39	14,364.39
Lease liabilites	1,145.24	1,145.24		
Other financial liabilities (excluding current maturities of non current borrowings)	1,309.22	1,309.22	2,485.85	2,485.85
Trade payables	21,841.10	21,841.10	24,148.91	24,148.91
	38,604.36	38,604.36	40,999.15	40,999.15
Financial liabilities at fair value through profit and loss				
Level 2				
Derivatives	-	-	88.54	88.54
	-	-	88.54	88.54
Total financial liabilities	38,604.36	38,604.36	41,087.69	41,087.69

40. Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Financial assets and liabilities measured at fair value - recurring fair value measurements are as follows:

	31 March 2020	31 March 2019
Financial assets - Level 1		
Investments	0.24	0.49
Financial assets - Level 2		
Derivatives	137.00	-
Financial assets - Level 3		
Investments	209.00	-
Financial liabilities - Level 2		
Derivatives	-	88.54

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable, cash credits, commercial papers and other financial assets and liabilities approximate their carrying amounts largely due to the current maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

(a) The fair value of the quoted investments are based on market price at the respective reporting date.

(b) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies based on report obtained from banking partners.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

(c) The fair value of unquoted investments included in level 3 are based on net asset value approach. There is no significant unobservable inputs used for fair value measurement..

There were no transfer of financial assets or liabilities measured at fair value between level 1 and level 3, or tranfer into or out of level 3 during the year ended 31 March 2020 and 31 March 2019.

41. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

Risk management framework

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance.

The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. Foreign currency options contract are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The sources of risks which the Company is exposed to and their management is given below:

Risk	Exposure Arising from	Measurement	Management
Credit risk	Trade receivables, Investments, Derivative financial instruments, Loans and deposits	Ageing analysis, Credit rating	Diversification of Credit limit and credit worthiness monitoring, credit based approval process.
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities.
Market risk Foreign exchange risk	Committed commercial transaction Financial asset and liabilities not denominated in INR	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts.
Interest rate	Borrowings at variable rates	Sensitivity analysis Interest rate movements	The company has laid policies and guidelines to minimise impact of interest rate risk.

(i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally form the Company receivables from customers and loans. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below:

Particulars	31 March 2020	31 March 2019
Revenue from top customer	4.54%	4.04%
Revenue from top five customers	8.94%	8.58%

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit lossed on trade receivables using a provision matrix to mitigate the risk of default payments amd makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the credit loss allowance for trade receivables. The said provision has been netted off under trade receivables.

Particulars	31 March 2020	31 March 2019
Balance at the beginning	504.63	915.44
Transferred pursuant to scheme of arrangement (refer note 36)	-	(229.48)
Net measurement of loss allowance	226.09	(181.33)
Balance at the end	730.72	504.63

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, finding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

31 March 2020	< 1 year	1 - 5 years	> 5 years	Total
Borrowings (including current maturities)*	12,224.06	2,684.86	-	14,908.92
Trade payables	21,841.10	-	-	21,841.10
Lease liabilites*	255.89	919.06	344.87	1,519.82
Other financial liabilities	1,259.58	1.00	-	1,260.58
	35,580.63	3,604.92	344.87	39,530.42

31 March 2019	< 1 year	1 - 5 years	> 5 years	Total
Borrowings (including current maturities)*	11,133.63	4,164.89	-	15,298.52
Trade payables	24,148.91	-	-	24,148.91
Other financial liabilities	1,688.50	785.21	-	2,473.71
Derivatives	88.54	-	-	88.54
	37,059.58	4,950.10	-	42,009.68

* including estimated interest

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument . The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like forwards to hedge exposure to foreign currency risk.

Exposure to currency risk

The Company's exposure to foreign currency are at the end of the reporting period are as follows:

Particulars	Currency	31 March 2020		31 March 2019	
		Amount in F.currency (Lakhs)	₹ in Lakhs	Amount in F.currency (Lakhs)	₹ in Lakhs
- Hedged exposures					
Borrowings - Buyers credit	USD	20.60	1,557.37	11.96	826.26
			1,557.37		826.26
Trade payables	USD	25.28	1,910.65	51.97	3,591.66
			1,910.65		3,591.66
- Unhedged exposures					
Borrowings - Buyers credit	USD	0.98	74.45	-	-
			74.45		-
Trade payables	EURO	0.62	51.50	0.51	39.53
	USD	10.36	783.05	19.20	1,326.89
			834.55		1,366.42
Cash and cash equivalents	USD	0.06	4.69	-	-
			4.69		-
Loans to subsidaries	USD	28.00	2,116.52	32.00	2,211.52
Trade receivables	USD	0.38	28.76	0.95	65.31

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EURO against Indian Rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Nature	Effect	31 March 2020	31 March 2019
USD (1% Movement)	Profit or loss	Strengthening	12.92	1.24
		Weakening	(12.92)	(1.24)
	Equity, net of tax	Strengthening	9.67	0.81
		Weakening	(9.67)	(0.81)
EUR (1% Movement)	Profit or loss	Strengthening	(0.51)	(0.40)
		Weakening	0.51	0.40
	Equity, net of tax	Strengthening	(0.38)	(0.26)
		Weakening	0.38	0.26

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's current borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31 March 2020	31 March 2019
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	(6,170.12)	(5,914.63)
	(6,170.12)	(5,914.63)
Variable rate instruments		
Financial assets	2,116.52	2,211.52
Financial liabilities	(7,488.68)	(7,549.75)
	(5,372.16)	(5,338.23)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

Particulars	Nature	Effect	31 March 2020	31 March 2019
Variable rate instruments	Profit or loss	Strengthening	(53.72)	(53.38)
		Weakening	53.72	53.38
	Equity, net of tax	Strengthening	(40.20)	(34.73)
		Weakening	40.20	34.73
Cash flow sensitivity (net)	Profit or loss	Strengthening	(53.72)	(53.38)
		Weakening	53.72	53.38
	Equity, net of tax	Strengthening	(40.20)	(34.73)
		Weakening	40.20	34.73

42 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain furture development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company's objective when managing capital are to: (a) to maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt less liquid investments divided by total equity.

Particulars	31 March 2020	31 March 2019
Total debt (Bank and other borrowings) (refer note 19 and 20)	14,308.80	14,364.39
Less: Cash and cash equivalents (refer note 12)	934.57	1,784.17
Adjusted net debt	13,374.23	12,580.22
Equity (refer note 17 and 18)	35,695.93	33,134.42
Debt to Equity (net)	0.37	0.38

In addition the Company has financial covenants relating to the banking facilities that it has taken from all the lenders like interest service coverage ratio, Debt to EBITDA, current ratio etc. The Company has complied with these covenants throughout the reporting period.

43. Segments information

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

44. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

Notes on Standalone financial statements for the year ended 31 March 2020

(All Amount in ₹ Lakhs, unless otherwise stated)

45. Due to Micro enterprises and small enterprises

		31 March 2020	31 March 2019
(a)	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
	- Principal	184.16	83.15
	- Interest	-	-
(b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 , along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

46. Government grant (Ind AS 20): Other operating revenue includes incentives against scheme of budgetary support under Goods and Services Tax Regime for the units set-up in Tizit, Nagaland of **₹ 460.78** lakhs (31 March 2019 ₹ 549.69 lakhs) and incentive against refund of excise duty for the unit set-up in Tizit, Nagaland till 31 March 2020 of **₹ Nil** (31 March 2019 ₹ 253.54 lakhs).

47. Distribution made and proposed dividend

	Year ended 31 March 2020	Year ended 31 March 2019
Cash dividend on equity shares declared and paid		
Final dividend for the year ended on 31 March 2019:	490.51	735.76
₹ 0.40 per share (31 March 2018: ₹ 0.60 per share)		
Dividend distribution tax on final dividend	100.83	151.24
Total dividend paid	591.34	887.00
Proposed dividend on Equity shares		
Final dividend for the year ended on 31 March 2020:	490.51	490.51
₹ 0.40 per share (31 March 2019: ₹ 0.40 per share)		
Dividend distribution tax on final dividend	-	100.85
Total dividend proposed	490.51	591.36

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2020.

Notes on Standalone financial statements for the year ended 31 March 2020

48. Exceptional items

	Year ended 31 March 2020	Year ended 31 March 2019
Provision for excise duty liability and interest {refer note 21(b)}	2,897.80	-
Excise duty refund receivable written off {refer note 21(b)}	2,099.25	-
	4,997.05	-

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No. 055757

Place : Kolkata
Date : 27 June 2020

For and on behalf of Board of Directors of
Greenply Industries Limited
CIN: L20211AS1990PLC003484

Rajesh Mittal
Chairman cum Managing Director
DIN No. 00240900

Manoj Tulsian
Joint Managing Director & CEO
DIN No. 05117060

Mukesh Agarwal
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & Sr. VP-Legal

Place : Kolkata
Date : 27 June 2020

Consolidated Financial Statements