CENTURY PLYBOARDS (INDIA) LIMITED

CENTURYPLY

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Kal. Aaj. Kal.

02
10 things that set Centuryply apart

ANNUAL REPORT 2017-18

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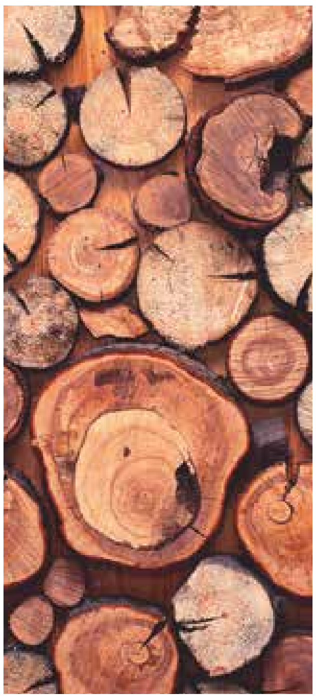

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10 things that set Centuryply apart

1

Proxy and prominence

Century Plyboards (India) Limited (Centuryply) is not just another plywood company. It is respected and recognized as one of the largest plywood manufacturing companies in India. That the industry is virtually synonymous with the Company's brand is in no small measure due to its competitive advantage, pioneering features and innovative branding.

2

Recall and share

In a large and growing market addressing the needs of India's interior infrastructure sector, Centuryply accounts for a sizable >25% market share of the country's organised plywood segment. Following GST implementation, when there is every likelihood that the unorganised will yield ground to organised brands, Centuryply could account for a disproportionately higher share of the transferred volumes.

3

Pioneering

The Company is respected as a longstanding pioneer for its ability to offer innovative products: fire and waterproof plywood products for the first time in India's plywood sector, proactive use of cutting-edge nanotechnology to offer fragrant laminates and the first to offer fingerprint-resistant laminates.

4

Customer-focused

Centuryply does not just provide products to attract the customer's attention; it creates a superior proposition that makes it compelling for customers to buy. The attractiveness of the Company's proposition is derived from the ability to offer a range of plywood products across price points, making it possible to graduate purchases with every incremental price increase – creating an aspiration-driven consumer pull.

5

One-stop convenience

Centuryply is more than a plywood manufacturer; the Company provides a widening product portfolio, translating into a one-stop interior products convenience. The company markets laminates, particle boards, MDF, fibre cement boards and engineered doors, among others. The result is that the Company accounts for a growing share of the customer's wallet.

6

Parentage

Centuryply comprises the best of promoter-entrepreneur and professional managerial competencies. The company is led by first-generation entrepreneurs like Sajjan Bhajanka, Sanjay Agarwal and Hari Prasad Agarwal. They are ably supported by experienced Board members like Vishnu Khemani and Prem Kumar Bhajanka. Besides, the Directors are complemented by professional managers possessing deep domain competencies.

7

Footprint

Centuryply comprises seven manufacturing locations pan-India: Joka (West Bengal), Guwahati (Assam), Kandla (Gujarat), Chennai (Tamil Nadu), Karnal (Haryana) and Hoshiarpur (Punjab). The Company's units in Roorkee (Uttarakhand), Myanmar and Laos are managed by subsidiary companies.

The Company's products enjoy pan-national availability through 30 marketing offices covering 630 cities and townships, addressing 2000 dealers and 22000 retailers. The Company also runs a container freight station proximate to the Kolkata Port (100000 square metres with a capacity to handle 156000 twenty-foot equivalent units of containers).

8

Quality

Centuryply is respected for its enduring and consistent quality. This high standard has been derived from its global certifications for process consistency. The Joka plant, an ISO 9001-certified unit, was the first plywood manufacturing facility in India to be correspondingly certified. The Company is also ISO14001-certified, validating its environment-friendly practices.

9

People
The Company's highly motivated team comprises 7116 employees across India. The Company's people resources are respected for their innovation, drive, customer insights and rich sectoral experience.

10

Adequate capacity
Centuryply has been invested with adequate product capacities across its various businesses. Over the years, the Company invested in capacities across locations to reach markets quicker, a more dispersed but efficient way of reaching demand pockets than working out of one large centralized location. The company was a one-location entity until 2006; it is a multi-location company today with manufacturing facilities across all regions and branches/depots in almost all states.

Portfolio

Segment	Brands
Plywood	CenturyPly · CenturyPly Architect · CenturyPly Marine · CenturyPly Elasto · CenturyPly 710+ BWP Marine · Sharonply · Maxima · Century Win MR · Sainik · Technopine · Fire Safe · Bond 710
Laminates	Century Laminates · Starline · Monocore · Century Ven Lam
Veneer	Natzura Woods · Senzura Styles
Blockboards	Sainik · Century Club Prime · Century 710+ · Maxima · Technopine
Doors	Architect Door · Club Prime · Pro · Sainik · Hector WPC Doorframes · Technopine
Pre-lams	Century Pre-lams
Face veneers	Century Face Veneers
New-age products	Starke (PVC sheets) · Zykron (fibre cement board)
MDF	Century MDF
Particle board	Century Particle Board

Vision

People development

People development is our way of keeping our people happy

Quality

We don't just insist on quality, we are passionate about it

Innovation

We always innovate, therefore we are

Customer focus

We are all eyes and ears when it comes to customer focus

Trust

We trust not by making promises, but by keeping them

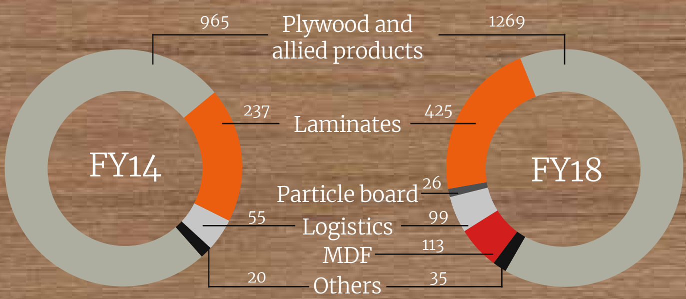
Values

Our core values are integrity, excellence, team work, empowerment, speed & energy, frugality, accountability, change friendliness, caring and sharing.

Product	Location	Capacity
Plywood (CBM)	Joka, Kolkata, West Bengal	37000
	Chennai, Tamil Nadu	40000
	Karnal, Haryana	36000
	Guwahati, Assam (Cent Ply)	35000
	Guwahati, Assam (Purbanchal)	35000
	Kandla, Gujarat	31000
	Roorkee, Uttarakhand	25000
Laminates (number of sheets)	Kolkata, West Bengal	4800000*
MDF (CBM)	Hoshiarpur, Punjab	198000
Particle Board (CBM)	Chennai, Tamil Nadu	54000
CFS (TEUs)	Sonai Kolkata, West Bengal	36000
	Jinjira Pole, Kolkata, West Bengal	120000

*Addition of two new lines to enhance total capacity by 57%. One line is already operational.

Net revenue by segment (₹ in crore)



"At Centuryply, we are well-placed to capitalise on tomorrow's opportunities"

CHAIRMAN **SAJJAN BHAJANKA** REVIEWS CENTURYPLY'S PERFORMANCE AND LOOKS INTO THE FUTURE

Dear shareholders,

The year 2017-18 was a landmark for the Indian economy. For a number of years, the country was engaged in a debate on the implementation of the Goods & Services Tax. Even as the broad sweep of the country's decision makers and opinion makers were convinced that the implementation of this tax would be in national interest, a number of revenue sharing disagreements needed to be addressed for the Bill to become a reality.

The Central Government implemented the 'one country, one tax' through the GST on 1st July 2017, the biggest indirect tax reform undertaken in the country. The initial disruption in trade and consumer sentiment notwithstanding, the reform is expected to simplify indirect taxes, strengthen compliance, provide incentives to the compliant and, in doing so, narrow the cost differential between organized and unorganised manufacturers. I believe that the implementation of GST will strengthen the cause of branded products, will graduate customers towards the use of quality products and in doing so, strengthen the national consumption standard.

But coming back to 2017-18, the GST pre-implementation phase was marked by key players faced with the dilemma of whether to destock in anticipation of the probable tax implication. On the other hand, the high tax rates imposed on plywood and MDF in the initial stage, along with a host of other teething issues, decelerated offtake into Q2 of the last financial year. The GST Council took a more holistic view of the

product on the grounds that panel products be treated as products of necessity than luxury, reducing the applicable GST rate from 28% to 18% in November 2017.

The unorganised sector, which had so far dominated the plywood industry owing to a significant cost advantage over the organised sector, discovered that as a result of tax revision, its price advantage now a mere ~20%. Following the rate revision, the Company passed benefits of the decline to consumers, strengthening offtake and accelerating the shift from unorganised products to credible organised brands.

The GST implementation, coupled with tax rate adjustment, is expected to catalyse the offtake of the branded plywood segment to >20% across the foreseeable future. Besides, the superior price-value proposition (marked by quality, competitive pricing, performance guarantee and anytime product availability) should translate into consumer preference. We also believe that the implementation of the e-way bill will eliminate unfair practices and progressively draw unorganised players into the new taxation regime, levelling the sectoral playing field even further.

The panel products segment, already affected by demonetisation and slowing real estate offtake, utilised this rate reduction to report an improved showing in the last quarter. The Plywood business reported volume growth of 5.5% during the year under review, with superior prospects looking ahead.

Performance review

Given this challenging sectoral landscape, Centuryply reported a creditable performance in the circumstances. The Company reported a 10% rise in net revenues with a stable EBIDTA and growth margin.

I must assure our stakeholders that the performance of the Company was creditable in the circumstances. The implementation of GST with initial issues created a trade disruption which slowed down offtake.

Strengthening from within

Centuryply strengthened its fundamentals during time of change and challenge.

The Company embarked on capacity expansion initiatives that will strengthen our revenue-earning potential. These initiatives comprised debottlenecking exercises that should strengthen our prospective profitability.

These initiatives comprised the following:

- Added one press (out of two planned) at our laminate unit that is operating at full capacity. Total capacity post-operationalisation of both presses would be enhanced by an estimated 57%.
- Commenced commercial operations at the newly-commissioned MDF plant, reporting a capacity utilisation of over 50% and generating

net revenues of ₹113 crore. We are optimistic that every incremental capacity utilization would empower the MDF plant to add substantially to our margins and revenues.

- Commissioned 1 MW DC rooftop solar panels at Chennai units. Further 5 MW DC is being installed across our remaining manufacturing units for an aggregate investment of ₹35 crore, addressing more than 15% of the Company's power requirements. Besides, the project is expected to reduce carbon footprint by 5900 tonnes per annum, strengthening our credentials as an environmentally responsible company. The already-commissioned rooftop solar panel at Chennai units is expected to generate 14 Lakh units of power in FY19.
- Modernised our plants by replacing dated equipment with contemporary alternatives, strengthening efficiency and viability.
- Engaged a respected external consultant to enhance process efficiencies and optimise costs.
- Appraised alternative economical raw material sourcing locations like Solomon Islands at a time when raw material sourcing from Myanmar and Laos became increasingly uncertain.

On the road to recovery

I am optimistic of the prospects of our business for a number of reasons.

Real estate properties have been passing through a protracted slowdown for two years, increasing unsold inventory. Several corrective measures of the recent past resulted in a modest demand recovery in Q1 2018. As more properties are handed over for possession, we foresee a larger throughput of properties readying for fit-outs, strengthening the offtake for our range of products.

I am also upbeat about the Central Government's Housing for All initiative. The performance of the panel products industry is correlated with the health of the real estate sector and we see a combination of the government's home-building agenda, easy mortgage availability and willingness of consumers to use debt financing as prospective drivers of the offtake of panel products.

The big question then is how Centuryply will capitalize on this emerging scenario. As a part of our long-term strategy, we are integrating forwards: we are consuming resource products to enter downstream segments like MDF-based doors, ready-to-assemble furniture and decorative veneers, among others. We believe that this represents a decisive direction in enhancing long-term profitability and broadening our risk from a presence in a few segments to a larger product portfolio.

The three themes that I have touched upon till now are proactive capacity creation in the anticipation of a demand shift from unorganised to organized brands, gravitation towards downstream value-added products and investments in cost moderation. Anyone is liable to ask how we will fund these initiatives. My answer is that we expect to generate healthy cash accruals across the foreseeable future, a sizable proportion of which would be invested in making business-strengthening investments. Besides, we possess a deleveraged Balance Sheet, which could make it possible to mobilise low cost debt, should we consider it necessary.

15%

Share of the Company's power requirements to be met by the solar power project

CHALLENGES FACED, FY 2017-18

- GST implementation uncertainties
- Trade slowdown
- Rising cost of raw materials
- Plateauing capacity utilisation

Impact: Flat topline growth, slower product offtake, reduced margins

CENTURYPLY'S RESPONSE

- Commenced economical resource sourcing from Solomon Islands
- Commenced captive solar power generation
- Expanded laminate manufacturing capacity
- Introduced plywood variant to capitalise on GST implementation
- Operationalised MDF plant in Hoshiarpur, Punjab
- Replaced legacy equipment to enhance operating efficiency
- Achieved peak capacity utilisation at the particle board unit

Created a growth engine

The big picture at our company is that in the last three years, Centuryply increased plywood capacity by around 20%, laminates capacity by 57%, commenced the commercial production of particle boards and MDF, engaged in backward integration for power and resin and engaged in a forward integration into pre-engineered doors and other value-added products.

We believe that in doing so, we have created the pipeline for a larger Centuryply that should enhance revenues substantially across the foreseeable future. I have no hesitation in stating that we are placed at the cusp of attractive growth that should translate into enhanced stakeholder value in a compressed time-frame.

Giving back to society

At Centuryply, our reporting would not be complete if we did not communicate what we are doing to make the world a better place. During the course of the year under review, we enhanced investments in social responsibility. We deepened our engagements with Friends of Tribal Society, Cankids and Marwari Relief Society, empowering these organisations to deliver healthcare, education and livelihood creation solutions for society's marginalised.

Conclusion

My outlook for India is bright.

India is expected to remain one of the fastest-growing economies in the world; the real estate sector will strengthen its performance in the largest segment (mid-income) that could strengthen the offtake of interior infrastructure products.

In view of this, I am optimistic that Centuryply stands at an interesting moment in its existence. For the Company, growth from this moment is expected to accelerate, enhancing value for all our stakeholders.

Regards,

Sajjan Bhajanka

THE RESULTS

Particle board	Laminates	MDF	Plywood	Investments
Generated ₹26.32 crore in net revenues on sale of plain particle board & also transferred to Prelam	Adding two lines to Increase manufacturing capacity by 57% (one line commenced production)	Achieved 50% capacity utilisation in just 6 months of operations	Reported ₹135 crore from the sale of Bond 710	Invested ₹30 crore towards plant modernisation initiatives

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Favourable taxation policies and a housing sector priority by the Central Government has paved the way for the next round of growth in the downstream sectors addressed by Centuryply

The GST gamechanger

Before GST had been implemented, India's organised plywood industry addressed indirect tax rates going to as high as 50% even as the unorganised sector got away by virtually paying no tax. The result of this disparity was that unorganised players could under-cut the prices quoted by the organized brands. The evidence is in the numbers: despite investing progressively larger amounts in building the brand for the segment and the specific product, nearly 75% of the country's plywood industry continues to be dominated by the unorganised sector.

Times could well be changing. The Government brought plywood products along with laminates and MDF under the 18% tax bracket. What used to be a 40% gap between the prices quoted by organized and unorganised players has now narrowed to ~20%.

The big question: will this narrowed 20% difference be a compelling incentive for a consumer to pay more and buy into an organized brand or will the difference be an attractive incentive to stay with an unorganised brand? The answer comes from a Mumbai-based interior designer: "The proportion of the cost of interior infrastructure products within the cost of refurbishing the interior is low because over the last decade, the cost of real estate has increased. As a result, more consumers are willing to spend higher on enhancing home-pride, which is translating into better spending – not on unorganised products but organized brands. There is a distinctive reason for this evolution: dealers have begun to play a more potent role in influencing a shift in purchase decision. Most unorganised products come with weak product guarantees that are difficult to enforce. When these products are returned, the retailer holds the moral responsibility to replace the product and collect a reimbursement from the unorganised company manufacturer. In most cases, he is unable to do so or even if he does succeed, the process is time-consuming and he stands to lose face among customers. Over the last decade, as product warranties strengthened and quality

standards became higher among organized brands, retailers began to use a new marketing line across the counter: they began to educate consumers about the life-cycle cost of the product as distinct from the transaction price. The result is that more buyers have selected to buy better products, pay higher prices and be content in the fact that their investments would endure. And that explains why the narrowing price differential on account of GST represents a game-changer: it stands to potentially catalyse consumers away from unorganised brands to nationally-respected labels."

Capacity addition

Centuryply is addressing this sectoral inflection point with corresponding investments in capacity creation. As markets widen and demand deepens, the Company stands to be positioned at the right place with the right product quantum at the right time.

MDFs: Centuryply commenced MDF operations in Q3 FY18. The company launched 198000 CBM of capacity in a segment marked by existing national capacity of 1 million CBM. The Company's plant was prudently located in northern India; it enjoyed advantages of cheap raw material and power besides proximity to a large market, strengthening prospects of quicker payback.

The Company validated the promise of this investment through capacity utilisation of over 50% during the remaining part of the year under review. The Company expects to generate ₹350 crore in annual revenues in FY19 from this plant. Besides, the Company plans to manufacture value-added products (laminated MDFs, flooring and doors, among others, from this facility). The Company's Punjab unit is expected to efficiently address the growing North Indian market for MDF.

Particle boards: This product is largely used by OEMs in the manufacture of ready-made furniture. The consumption of particleboard has been rising over the last few years, catalysed by increasing demand for ready-made furniture- both online and off-line. In view of this robust demand under-current, Centuryply commissioned a 54000-cubic-metre particle board manufacturing facility for ₹60 crore in FY17. The Chennai location was strategically chosen; ~50% of the raw material requirement can be accessed proximate to the plant and the rest from third-party units in the hinterland. The plant can potentially generate ₹90 crore of annual revenues while operating at peak capacity.

Laminates: The Company entered the laminates segment in 2004, well after a number of large players had established their presence. The Company carved out a large slice of the country's laminates segment by growing revenues at a CAGR of ~ 18% in five years. The Company's laminates business expects to build volumes on the back of enhanced visibility and a distributed network. The Company doubled its annual laminate production capacity to 4.8 million sheets in FY 13-14 which was fully utilised in the next two years. Additional 57% capacity increase is under-way to moderate capital cost per installed capacity on the one hand and capitalize on emerging demand on the other. The Company offered 650 SKUs, adding ~100 designs a year. Besides, the Company addressed the largest segment (1-millimetre-thickness laminates) on the one hand and value-added niches (textured and exterior laminates) as well, representing an attractive volume-value play. The Company also introduced innovative products (fragrant and fingerprint-resistant laminates) which strengthened the Company's product mix, brand recall, trade acceptance and consumer offtake.

Efficiency

At Centuryply, we have always believed that the good can be made better. We have also believed that complex businesses need to be simplified for clarity on where inefficiencies lie and how these hidden costs can be moderated. During the year under review, the Company engaged a respected consultant to help the management locate operating inefficiencies and enhance resource productivity. The Company implemented findings through a progressive substitution of legacy equipment with state-of-the-art variants. Besides, the Company's investments in renewable energy helped optimise costs and carbon footprint.

Visibility

In an increasingly cluttered products landscape, Centuryply invested adequately and scientifically. Products were backed by suitable brand-building; the

3%
Share of revenue spent on A&P in FY18

350
(₹ crore) Expected MDF revenues from FY19

2000
(Nos.) Door manufacturing capacity per day

Company leveraged diverse media to enhance visibility. The Company worked with various agencies respected for creating memorable product recall. The Company invested ~3% of its FY2017-18 revenues in product branding and promotion. The aggregate promotional spending in the five years ending FY2017-18 was a sizable ₹295 crore, considerably higher than a number of competing peers. The Company generated a larger bang for the expended buck: a rupee's promotional spending a few years ago generated ₹24 Lakh in revenues, which increased to ₹35 lakh during the year under review.

Reach

In the business of interior infrastructure products, the Company that generally wins in the marketplace is the one that places products on shelves faster than the others, validating the conviction that *'Jo dikhta hai woh bikta hai.'* In line with this belief, the Company distributed products pan-India through 30 marketing offices covering 630 cities and towns, addressing 2000 dealers and 22000 retailers. The result is that Centuryply's products are available across Tier-I, II and III locations, serviced by a network of 40 depots and warehouses. The retailer is assured that the prospects of a stock-out are minimal; the consumer knows that when he wants to buy the best material to refurbish her interiors, the Centuryply retail store will provide her with a one-stop convenience.

An integrated player

In the volume-driven business of interior infrastructure products, it is no longer enough to manufacture a standalone product. Long-term competitiveness is being increasingly derived from the ability to integrate – use raw material generated in-house on the one hand or utilize the end product in the manufacture of a downstream product on the other.

40

Number of depots servicing Centuryply's distribution network across the country

Over the years, Centuryply strengthened its competitive advantage through a progressive coverage of its value chain. The Company invested in raw material sourcing from Laos and Myanmar (import from Laos was discontinued following a change in government policy).

The Company also sought to strengthen its backward investment in a 6 MW DC solar rooftop power plant across manufacturing locations. This proactive investment will empower the Company to generate 15% of its annual power requirements from within and save an estimated ₹5 crore a year in energy costs.

Besides, the Company is launching new plywood products, introducing value-added laminates, extending beyond MDF to introduce knock-down furniture, flooring products, laminated MDFs and doors, addressing the widening appetite of MDF products from the county's affordable housing segment.

Opening doors and windows

Centuryply will consume a proportion of the MDF produced within to manufacture doors. The ₹80 crore plant is expected to possess a manufacturing capacity of 2000 doors per day (gradually scalable to around 6000 doors a day). The Company expects to generate a first-mover advantage in addressing a door and frames market projected at ₹40000 crore by 2022. The Company expects to introduce these products by FY20.

Centuryply created one of India’s largest MDF capacities

Why Centuryply saw an opportunity in this nascent segment of India's interior infrastructure sector.

There was a time when the word 'furniture' sent a shiver through the family. Most saw this inconvenience as a necessary reality; a company like Centuryply saw in this a growing opportunity.

Because it meant that the carpenter (suthaar mistry) would park himself on the building's landing, saw and hammer at will, wake sleepy residents from their afternoon siesta, generate enough fine dust to send asthmatics into a tizzy and leave without clearing the mess created.

The Company is being driven by two words that are gaining traction: 'readymade furniture'.

Readymade furniture is 'make as per preference', can be brought off the shelf, comes with a guarantee – and saves being embarrassed by neighbours.

The growing preference for readymade furniture is translating into yet another opportunity: the growing use of MDF (over the conventional use of plywood). A number of MDF analysts are beginning to recognise that perhaps India is at an inflection point as far as this building material is concerned.

This is why: China's annual MDF production was ~40 million cubic metres; India's production was <1 million cubic metres in FY18. MDF and particleboard account for a ~50% share of the total furniture production mix in China; the corresponding figure was a mere 12% in India. The penetration of MDF in the global wood panel market was 64%; it was a mere ~6% by value in India.

The good news is that the MDF under-penetration might be correcting. The product is finally gaining acceptance for a host of reasons. **One,** a growing preference for readymade furniture. **Two,** import substitution coupled with the opportunity to replace low-end plywood varieties (similarly priced) should catalyse MDF offtake. **Three,** the GST Council's decision to moderate tax rate on MDF from 28% to 18% should enable it to compete better with plywood alternatives. **Four,** MDF offers benefits over low-cost plywood varieties.

MDF, the new growth driver at Centuryply

Centuryply entered the MDF space through the trading route – buying material, seeding markets and selling material. Having tasted success, Centuryply entered the MDF space in 2017-18 with a 198000-cubic metre manufacturing unit in Punjab.

The plant commenced production in Q3 FY18 and achieved a capacity utilisation of 50% within six months of commencement.

The bigger picture is something else: the plant's products have become synonymous with quality. Nearly 70% of the production is marketed in Northern India, validating the strategy to commission a plant in Hoshiarpur, Punjab. The rest of the material is shipped to other parts of the country.

The plant offers a number of distinctive benefits to the Company:

- Located near the Company's sourcing base in North India, a significant competitive advantage in what is the second-largest market in the nation, moderating logistics costs (inbound and outbound).
- The logistics cost gap between Northern and Southern India was a high 12% of revenues

Adding value

Capitalising on its MDF manufacturing capacity, Centuryply is climbing the value chain. The company is extending forwards into the manufacture of finished goods categories like doors, panels, shelves, lockers and timber-based housing products.

The Company's strategic blueprint is charted: consistently add products. For instance, Centuryply intends to introduce 'do it yourself' furniture, addressing the incremental demand coming out of the affordable housing segment.

Emerging opportunities

The market for readymade furniture in India is at a take-off point.

Consider the realities: growing population, increasing urbanization, family nuclearisation, time paucity, growing aspirations and willingness to pay for convenience.

The result is that a significant volume of the MDF products procured in the country is imported, the Southern and Western regions reporting higher volumes owing to their proximity to ports. The evident opportunity then is import substitution.

To address growing demand, Centuryply plans to commission a second line at its Hoshiarpur unit. This will enhance capacity by 132000 CBM per annum and is expected to go on stream by FY20. Besides, Centuryply is intending to commission a unit in Uttar Pradesh and another in Assam to manufacture MDF directly from abundant raw material (bamboo).

At Centuryply then, this product is indeed going places – in more senses than one.

Why MDF?

- **Easy-to-paint**
- **Easy-to-cut**
- **Can be used immediately**
- **No grains and no splinters**
- **Costs lower than plywood**
- **Denser and stronger than particle boards**

MDF popularity is on the rise

There is a rising preference for readymade furniture.

MDF rides furniture demand, a segment estimated at USD 20 bn and largely unorganised (~85%). Home furniture, for instance, accounts for 65% of the furniture industry.

The big fillip to the country's furniture market has come from an unusual source - e-tailing. The latter has catalysed furniture demand; online furniture market is expected to grow to USD 700 mn by 2020. This market is being driven by superior customization, consultation services and faster delivery.

Centuryply. Going greener

Overview

There is a misplaced perception that plywood in some ways could be affecting the earth's environment balance. At Centuryply, we not only believe that the product is environmentally responsible as it moderates the consumption of block wood, but believe that the growing aspirations of people can only be responsibly addressed through the increased use of products like plywood.

At Centuryply, we have extended beyond the core attribute of our product. Over the years, we have strengthened our environment through prudent investments. The company is investing in 6 megawatts of renewable energy to moderate its carbon footprint. The company commissioned rooftop solar panels across six manufacturing locations (Chennai, Guwahati, Karnal, Kandla, Joka and Hoshiarpur) for ~₹35 crore with a payback across ~6 years.

Highlights of the project

- Synchronised power sourcing between solar, grid and diesel generators, with the objective to draw the bulk of power using captive solar panels
- Implemented reverse voltage protection to safeguard equipment in the event of reverse voltage being applied
- Invested in weather monitoring stations to effectively plan output
- Commissioned a data logging station (web-based) to access gyration data from remote locations
- Installed a web-based alarm system with an escalation matrix to alert users in case of an emergency
- Entered into an in-built five-year O&M contract (inclusive of spares and module cleaning) leading to a high uptime

Future-proof

The investment will help the Company in neutralizing any impacts of hikes in power cost. The generated power from the project post payback period will become virtually free of cost.

Impact

With ~300 clear, sunny days in a year, India's theoretical solar power reception on only its land area stands at a ~5000 petawatt-hours per year. The Company's investment is expected to translate into the following impact:

- Centuryply will source ~15% of its power requirements from within. Any surplus power generated would be sold to the grid to generate revenues.
- With an average per unit cost of ₹8, the Company is expected to save ₹5 crore per annum.
- The project is expected to help Centuryply reduce CO_2 emissions by ~ 5900 tonnes per annum.

Outlook

In FY2018-19, Centuryply expects to complete the installation of solar panels across all its plants, accelerating captive consumption and savings.

5900

(Tonnes) Annual CO_2 emission reduction through the captive solar power project

Project type	Installation period	Project cost	Cumulative capacity	Expected payback	Annual CO_2 emission reduction
Rooftop	6 months	₹35 crore	6 megawatts	6 years	5900 tonnes

5 things you need to know about the GST gamechanger and Centuryply

❶ The inherent skew

~70% share of the ₹20000-crore Indian plywood sector is accounted by unorganised players. There are >2500 small-scale units in the country who, by virtue of being largely outside the purview of the country's taxation system, price products at least 40% lower than their organised counterparts. One of the principal objectives of GST was to draw this large proportion of unorganised players into the taxation net.

❷ The levelling of the playing field

The Central Government implemented GST from 1st July 2017. Though laminates were put under 18% tax bracket, plywood was kept under the 28% bracket (later revised to 18% in November 2017). The downward revision was an acknowledgement by the government that the focus on building homes needed to be complemented by corresponding tax incentives that made it cheaper to enhance interiors and strengthen home-pride.

❸ The turning of the tables

During the earlier tax regime, unorganised players did not need to pay any excise duties as their revenues were <₹5 crore. The threshold limit of tax eligibility has been reduced to ₹1.5 crore. On the other hand, organised players had to pay an excise duty of 12.5% and a VAT of 12.5%, with no provision to recover this outgo. Now, with timber set to be taxed at 18%, organised players will be able to offset it against an 18% GST rate applicable on the final product. This has made products manufactured by organised players more attractive on account of the overall price-value proposition.

Implementation of e-way bill

The implementation of the e-way bill is expected to plug leakages under the GST framework. According to notified e-way bill rules, every registered supplier will require prior online registration on the e-way bill portal for the movement of goods >₹50,000. Also, companies will deal with a standardised e-way bill form for transporting goods across the country, unlike when different forms needed to be filled for transporting goods to different states. As unorganised players comply with the system, they would find it increasingly difficult to under-bill and evade taxes.

❹ The best is yet to come

Centuryply expects to capitalize on the opportunity by banking on its quality excellence, brand recall and distributed network. The Company enjoys a 25% share of the organised segment; it expects to scale this over the next few years. The GST on MDF was rationalized from 28% to 18%, brightening prospects for this newly-commissioned business. The levy of an 18% GST and increasing tax compliance under the GST regime bodes well for organised laminate players like Centuryply.

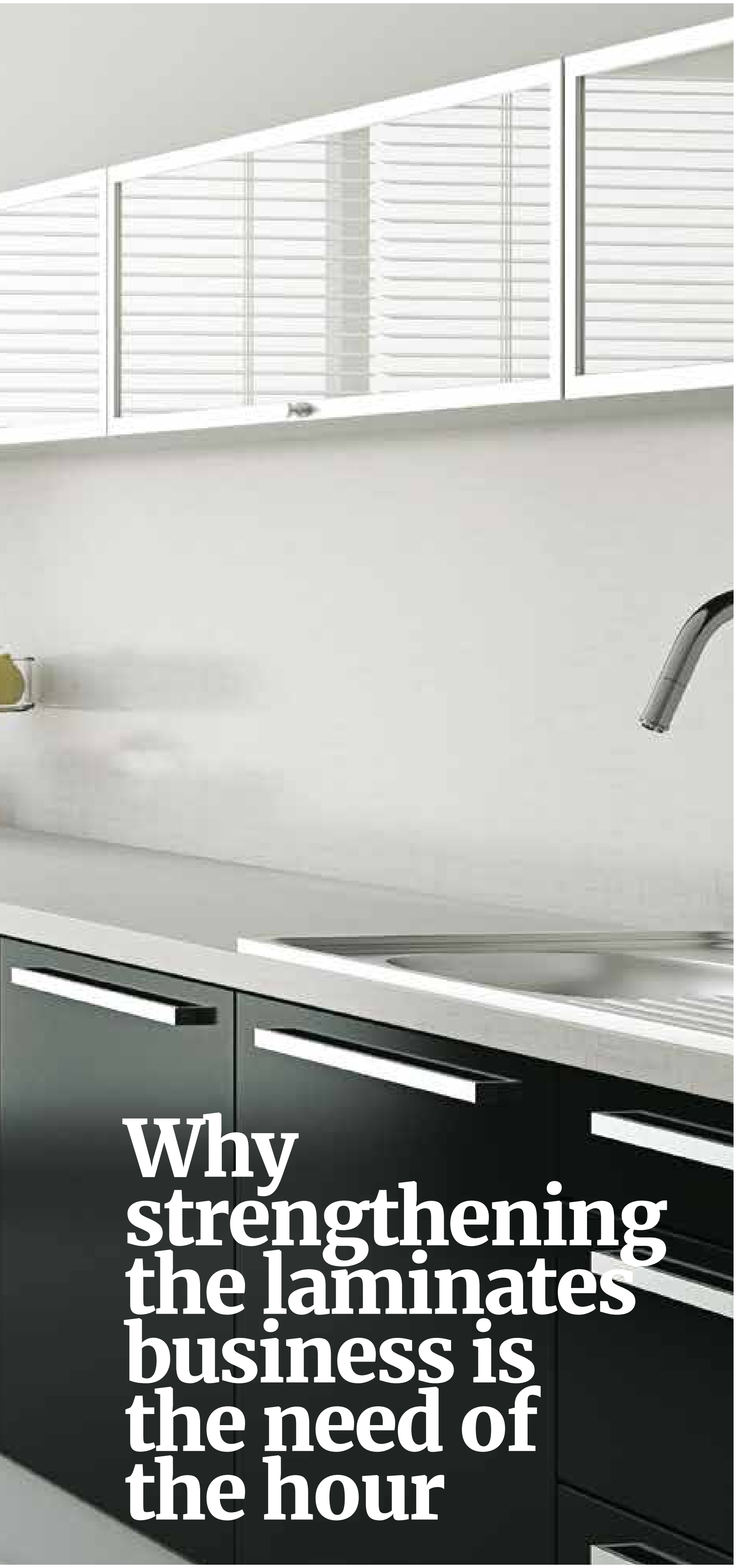
❺ Road ahead

GST implementation was a decisive reform; the e-way bill represents the next step in creating a level playing field for players. Until now, unorganised players could hope to circumvent complete compliance by not billing the entire consignment and selling a part in cash. However, following the implementation of the E-way bill, it will become increasingly difficult to beat the system, narrowing the cost difference between organized and unorganised players further.

GST rates on panel products

PLYWOOD	18%
LAMINATES	18%
MDF	18%

"At Centuryply, we passed on benefits arising from the reduction in indirect tax rates to customers. This helped us narrow the difference between the selling prices of our products and those of the unorganised variants from an erstwhile ~40% to 20%. Even as the industry growth was restricted to ~5% until GST implementation, we expect the industry to grow >20% over the foreseeable future."
- Mr. Sanjay Agarwal, *CEO & Managing Director,* **Centuryply**



Why strengthening the laminates business is the need of the hour

After entering the laminates business in 2004, Centuryply emerged as one of the most trusted players. The company's products were marketed across the country and across 17 countries. The result: Century Laminates is the third largest in the organised laminates market in India; it derived 25% of laminate revenues from exports in 2017-18.

Product advantages

Over the years, there has been a growing recognition that laminates represent superior value for money. The product looks like veneers, which are value-added, but are considerably cheaper than veneers – in terms of the one-time cost as well as ongoing maintenance costs. The result is that most consumers have gravitated towards laminates on account of its superior price-value proposition.

Besides, laminates were largely used in external furniture applications. As the price-value proposition of the product was increasingly established, consumers began to use laminates in internal furniture applications as well, strengthening product relevance.

Staying a step ahead of the rest

Even as Centuryply was one of the later entrants in this space, the Company compensated by commissioning manufacturing capacity faster. The result is that the Company's annual capacity of 48 lac sheets is one of the largest in the country. Centuryply leveraged the power of this scale through a capacity utilisation of >100% in 2017-18. To address the growing appetite for its products, the Company decided to install two presses for ₹60 crore, enhancing capacity by 57%.

Case for optimism

Centuryply remains optimistic of the prospects of its laminates business for some good reasons:

- The country is witnessing a revival in economic activity, reflected in the 7.7% GDP growth in the last quarter of 2017-18. Laminates, a key product in interior infrastructure, is mirroring this improvement.
- Growing per capita incomes has translated into increased demand for quality furniture – even across Tier-I, II and III centres. Besides, there is a growing preference to extend from the use of unorganised furniture products to branded furniture offering superior quality and warranty. With the cost of timber growing briskly, plywood has emerged as the option of choice in these areas, concurrently catalysing the demand for laminates.
- With families getting smaller, there is a resistance to employing carpenters to fabricate furniture at home; consumers would rather buy the readymade equivalent. Although the retail furniture market is small, the Company expects this reality to be progressively corrected.

- Centuryply carved out a niche in the premium one-millimetre laminate niche to address a growing consumer need to build better interiors.
- Following increased production capacity, Centuryply expects to reinforce its export presence.

The GST impact

In the past, organised laminated players were levied VAT of 14% and excise duty of 12%. GST implementation strengthened the case for the organised laminate sector with 18% tax. The benefits resulting from this reduction was immediately passed on to customers, widening the market for organized and branded products. Besides, there was a visible reduction in the price gap between organised and unorganised players: costs for unorganised players increased on account of compliance; end product costs declined for the organised sector.

Innovation

Centuryply is respected for innovative products.

- As awareness of healthy lifestyles increased, Centuryply introduced anti-bacterial laminate alternatives.
- When Centuryply noticed that consumers refrained from buying darker shades on account of fingerprint smudges, it launched the pioneering 100% anti-fingerprint alternative, reviving the offtake of darker-shaded variants.
- Centuryply became the first to introduce marker laminates (used in marker boards) fitted with magnetic sheets.
- Centuryply introduced textured laminates with wood-like finish, enthusiastically welcomed by customers.
- Centuryply became the first in India to introduce fragrant laminates using cutting-edge nanotechnology.

In the past, organised laminated players were levied VAT of 14% and excise duty of 12%. GST implementation strengthened the case for the organised laminate sector with 18% tax.

Product advantages of Century Laminates

- It is the only company to offer a seven-year product warranty, strengthening customer confidence
- The Company's entire product range is Grade-II fire retardant
- The Company's products are free of lead and heavy metals; they comply with indoor air quality parameters
- The Company's laminates are anti-bacterial
- The Company is the largest player in the lucrative one-millimetre niche
- The Company's e-catalogue allows users to simulate the use of laminates in specific areas of homes, creating a consumption appetite
- Each sheet manufactured by the Company comes with a unique QR code that validates authenticity and helps customers escalate any issue via Whatsapp and seek immediate intervention

Outlook

With capacity scaling by 57%, the Company expects to report strong growth from this business across the foreseeable future.

57%

Laminates capacity enhanced during FY18 by Centuryply

5 financial strengths of Centuryply

1 **Margins:** Centuryply has extended into value-added product segments, strengthening returns higher than the average. The consistent pipeline of innovative products has strengthened a premium in realisations over sectoral peers. Besides, the Company invested in routine debottlenecking, strengthening efficiency and yield.

	EBIDTA margin	PAT margin
FY17-18	15.9%	8.0%
FY13-14	12.3%	5.2%

2 **Debt-equity ratio:** Over the years, the Company progressively deleveraged its Balance Sheet. Despite investing in ₹630 crore of capex in five years, the Company's net debt as on 31st March 2018 was a mere ₹310 crore in form of long term debt and buyer's credit for capex. The Company followed a standardised protocol: channelise capex, commercialise operations, generate cash flow and reinvest in scaling capacities further. This approach helped the Company regularly repay its long-term debt even as its capacities became larger.

Debt-equity ratio

FY17-18	FY13-14
0.65	1.69

Centuryply's business has been grown around a robust Balance Sheet.

This foundation has helped it grow the business at a relatively low cost, strengthening sustainability.

Over the years, the Company has invested its Balance Sheet with fair and conservative accounting practices, strengthening integrity. Besides, the Company reinforced systemic efficiency through a SAP ERP-based platform.

The Centuryply's financial strength is expressed through five metrics given in the section:

3 **Returns:** The Company has always focused on enhancing overall profitability – where the output is considerably larger than the input. This was derived from a de-risked approach when it came to the launch of new products: the Company selected to outsource products and seed markets before venturing into manufacture. This approach made it possible for the Company to minimize the gestation between product launch and acceptance, strengthening overall returns on the project.

	Return on average equity	Return on average capital employed
FY17-18	20.26%	17.21%
FY13-14	24.74%	16.59%

4 **Working capital cycle:** Centuryply's strong brand resulted in stocks being liquidated faster, strengthening cash inflows and moderating the overall working capital cycle.

Working capital cycle

62 days of turnover equivalent in FY17-18

68 days of turnover equivalent in FY13-14

5 **Interest cover and debt cost:** Over the years, Centuryply has moderated debt and also mobilized debt at relatively low costs.

Average debt cost

4.3%

FY17-18

6.0%

FY13-14

Interest cover

7.09x

FY17-18

2.26x

FY13-14

Project type	FY2014-15	FY2017-18
Net Revenue	₹1565 crore	₹1967 crore
EBIDTA	₹268 crore	₹313 crore
PAT	₹150.82 crore	₹156.64 crore
Debt-Equity	0.21	0.32
Interest cover	5.15 x	7.09 x
ROACE	26.68%	17.21%

6 reasons why India's real estate sector is slated for an attractive rebound

In India, the real estate sector is the second-largest employer after agriculture.

The November 2016 demonetisation affected the offtake of housing stock in the country. This helped stabilise land prices and enhance product affordability.

The real estate sector is expected to rebound and touch US$180 billion by 2020. The housing sector is expected to contribute ~11% to India's GDP by 2020.

Affordable housing appears to be an attractive segment, growing at 6% and expected to add 60 million homes by 2024.

This holds out attractive prospects for that entire eco-system of companies that provide interior infrastructure products in the country.

1 Urbanisation

Urbanisation is a key driver of India's housing sector. Urbanisation was 33.2% of India's population and expected to reach 36.2% by 2025 – on a larger population base, warranting a need for more homes.

2 Demographic dividend

Per capita incomes during FY2017-18 was estimated at ₹111782, rising 8.3% compared to FY2016-17, evolving consumption patterns. India is set to become the world's youngest country by 2020 with 64% of the entire population in the working age group. Rise in education among the youth could lead to a decline in dependency ratio and enhance lifestyles. This, in turn could strengthen discretionary spending on consumer durables and premium products, expected to jump from current 40% to 46% of household income by 2025.

3 Growing nuclearisation

Spurred by the rapid growth in the number of nuclear families, the demand for homes has increased as well. Demand is expected to rise to 40% by 2030 while the urban housing requirement is estimated to reach 45 million units by 2022.

4 Increasing population

India's population stands at 1.35 billion and accounts for a 17.74% share of the global aggregate. India is soon expected to become the most populated country. Consequently, India's population is expected to reach 1.46 billion by 2025. This will create a widening market of consumers, strengthening the offtake of home-building products.

5 Demand recovery

With the demand for office space intensifying, rental values have increased in active micro-markets across India. This demand will be supported by ~117 million square feet of office space (Grade-A) scheduled to be completed between 2018 and 2020. Moreover, during Q1 of FY2018-19, the sector witnessed a 23% y-o-y increase in office space demand, with pan-India absorption recorded at 11.4 million square feet.

6 Government initiatives

- In February 2018, the creation of National Urban Housing Fund was approved with an outlay of ₹60000 crore.
- Under the Pradhan Mantri Awas Yojana (Urban) scheme, 1427486 houses were sanctioned to be built during 2017-18. In March 2018, the construction of additional 321567 affordable houses has sanctioned under the scheme.
- The Central Government announced a credit-linked subsidy scheme in 2016, making loans available at affordable rates. Under the scheme, interest subsidies were credited upfront to beneficiaries through lending institutions, reducing the effective value of housing loans and payable equated monthly instalments.
- The Central Government's decision to provide interest subvention of 3% and 4% for loans of up to ₹12 lac and ₹9 lac respectively under the Pradhan Mantri Awas Yojana, is expected to boost low-income housing in semi-urban India. In rural areas, a 3% subvention will be given on loans of up to ₹2 lac to build and expand existing houses. The Central Government increased the number of homes to be built in rural areas under the Pradhan Mantri Awas Yojana by 33%.
- RERA came into force in May 2016 with the objective of protecting the interests of consumers by introducing a regulatory regime that improved sectoral accountability.

6 secrets of Centuryply's enduring branding and advertisement success story

For the longest time, consumers struggled to differentiate between brand attributes. Centuryply was one of the most companies in the sector to recognise that branding needed to extend across the entire product lifecycle. There emerged a need to cover peripheral spaces (like interior design), making it possible to directly influence the consumer.

Besides, as consumers engaged deeper on online platforms, it became imperative to enhance visibility in these emerging media. Centuryply invested consistently in above-the-line and below-the-line initiatives, enhancing brand visibility. The Company invested ~4% of revenues on advertising and promotion.

The Company's campaigns revolved around the following heads:

1

Positioning products effectively

Centuryply's innovative positioning of *'sab sahe mast rahe'* transformed the way plywood is perceived: from a commoditised product to a branded one. This campaign was launched in 2008 and over the past few years, Centuryply emerged as the go-to brand for termite protection and borer-proof products. These tactical branding initiatives enhanced top-of-the-mind recall in a competitive marketplace.

2

Marketing products digitally

Upwardly mobile Indians are increasingly buying differently-styled furniture, employing interior designers to assist in the purchase of the right furniture. The increasing exposure of Indians to global trends and lifestyles via their smartphones has facilitated a gravitation towards value-added products. This exposure, coupled with increased disposable incomes, empowered even urban middle-class consumers to engage interior decorators. In view of this, the Company employed digital marketing campaigns and generated attractive leads through its digital campaigns in 2017-18.

3

Celebrating unsung heroes

Centuryply's 'Unsung Heroes' campaign commenced in 2014: to salute the carpenter's spirit, skill and commitment. In 2016, Centuryply extended this campaign to honour 'unsung heroes' in everyday life during the annual Durga Pujo celebrations: policemen, electricians, *dhakis* (drummers), ambulance drivers, sweepers, doctors and nurses – anyone epitomizing the *sab sahe mast rahe* attitude.

The 2017 campaign edition celebrated unsung heroes behind the Durga Pujo festivities: clay artisans who make magnificent idols. The campaign invited pictures of work-in-progress idols and finished idols along with the names of the artisans. The campaign was promoted through the print, electronic and outdoor media in addition to a digital strategy driving footfalls to the pujo.

"Centuryply Heroes gives us a chance to touch the lives of people who make the Durga Pujo happen. More often than not, we fail to celebrate their contribution. Our campaign has been directed to enhancing mass engagement with unsung heroes - touching lives and adding warmth to festivity." – **Sanjay Agarwal,** *CEO & Managing Director*

4

Launching products prudently

Following GST implementation, Centuryply reengineered its manufacturing process to introduce a cost-effective plywood variant – Bond 710. GST implementation brought cost-effective variants under the spotlight with 18% GST in rate in November 2018; the Company undertook a second wave of brand activation exercises for the product and reported higher sales.

5

Below-the-line initiatives

The Company launched various dealer schemes and incentives. Its 'Shoorveer' initiative addressed the high-performing employees of Centuryply who drove sales and enhanced brand commitment.

6

Helping revamp interiors

During the year under review, the Company launched the fresh Look Book for promoting laminates and veneers. The e-catalogue empowered consumers with ideas on which products to use in which parts of their homes, strengthening their pre-purchase conviction.

Annual spending on advertising and promotion activities

	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18
Total spend (₹ crore)	34	66	63	75.5	56.4
Proportion of revenues spent on advertising and promotional activities (%)	2.64%	4.2%	3.85%	4.23%	2.87%

Securing our raw material sources

What were the key challenges in raw material sourcing?

Plywood raw material is made of three components – face veneers (30%), core veneers (55%) and chemicals & adhesives (15%). While core veneers are found in abundance in India, sourcing face veneers has always been a longstanding challenge.

How did the Company address these challenges?

The Company chose to integrate operations backwards in securing glue and chemicals indispensable to the manufacturing process. Centuryply commissioned a face veneer peeling unit in Myanmar, one of the key providers of timber for the Company. However, following a ban on the export of raw timber from 2014, a number of sectoral players were required to reassess their raw material sourcing.

How did the Company transform this unexpected challenge into an opportunity?

Centuryply's decision to establish a face veneer plant in Myanmar de-risked the Company from this threat. Since Centuryply imported face veneers instead of timber logs, it was also now possible to save transportation costs as raw timber loses ~ 30% of its weight in the form of moisture when converted into face veneers and another 30% during peeling. Although, the export ban of raw timber from Myanmar was subsequently lifted following the nationalisation of the entire operations, timber supply from this region has slowed considerably.

What was the experience in Laos?

The Company commissioned a peeling unit in Laos but the country also banned the export of raw timber and face veneers from 2016. Following the imposition of this ban in Laos, Centuryply extended its focus to Solomon Islands where timber varieties possess the same high quality but are cheaper.

What is the Company's strategy regarding Solomon Islands?

The Company intends to work in Solomon Island for an extended period. With the possibility of bans being levied on the sale of raw timber unlikely, the Company is confident of continuing to source raw material economically from this location.

The Company is also sourcing raw material from Papua New Guinea and Soloman Islands. It is exploring opportunities to source quality raw material at competitive costs from Africa.

Raw material costs as a proportion of total revenues (%)

FY2013-14	FY2017-18
59%	52%

What makes Centuryply's logistics business attractive

❶ Centuryply entered the container freight station business by acquiring 0.1 million square metres of land belonging to the Kolkata Port Trust (capacity 156000 twenty-foot equivalent units) spread across two container freight stations at Sonai (36000 twenty-foot equivalent units) and Jinjira Pole (120000 twenty-foot equivalent units).

❷ The Company accounts for ~50% of the container freight capacity at Kolkata port.

❸ The Kolkata port reported the highest cargo throughput of 17.39 million tonnes during FY2017-18 compared with 16.81 million tonnes in FY2016-17, a growth of 3.45%. The Kolkata port handled its highest container throughput at 640182 twenty-foot equivalent units in FY2017-18 compared to 635848 twenty-foot equivalent units in the previous year.

❹ The growth in cargo volumes helped Centuryply report a 13% increased in revenues from this business and corresponding 11% growth in EBIDTA.

❺ Centuryply strengthened its competitive advantage through the complete digitization of operations, providing real-time information to customers. The Company's decision to install GPS in all its trailers enhanced accountability.

❻ The business enjoys a 10-year tax benefit under Section 80IA of the Income Tax Act.

Key numbers, FY2017-18

CFS volume (twenty-foot equivalent units)

FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18
52924	72508	82057	80153	80936

Net sales (₹ crore)

FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18
55.05	71.36	84.90	88.01	99.44

Kolkata Port Trust: Landmark year

- Set an all-time record by handling 57.886 million tonnes of traffic during FY2017-18 surpassing 57.329 million tonnes in FY2007-08.
- Registered the third-highest growth rate (13.61%) among major Indian ports, higher than average growth of 4.77%.
- Handled 40.496 million tonnes at the Haldia Dock Complex during FY2017-18 vis-à-vis 34.141 million tonnes during FY2016-17, the highest growth of 18.61% among major Indian ports.
- Handled an all-time high cargo throughput of 17.39 million tonnes at the Kolkata Dock System during FY2017-18 vis-à-vis 16.81 million tonnes in during FY2016-17, a growth of 3.45%.
- Grew its business around petroleum products, LPG, vegetable oil, other liquids, containers, iron ore, manganese ore, other ores, fertilisers, rock phosphate, sulphur, limestone, fly ash, thermal coal, coking coal, petroleum coke, other coke, iron and steel, pulses, rice, and IVW traffic, among others.
- Handled 796210 twenty-foot equivalent units of cargo at Kolkata Port Trust in FY2017-18, the third-highest among major Indian ports.
- Achieved highest-ever container throughput at the Kolkata Dock System and Haldia Dock Complex (640182 twenty-foot equivalent units and 156028 twenty-foot equivalent units during FY2017-18, respectively), surpassing the previous highest of 635848 twenty-foot equivalent units and 149339 twenty-foot equivalent units during FY2016-17 and during FY2010-11, respectively.

Key numbers, FY2017-18

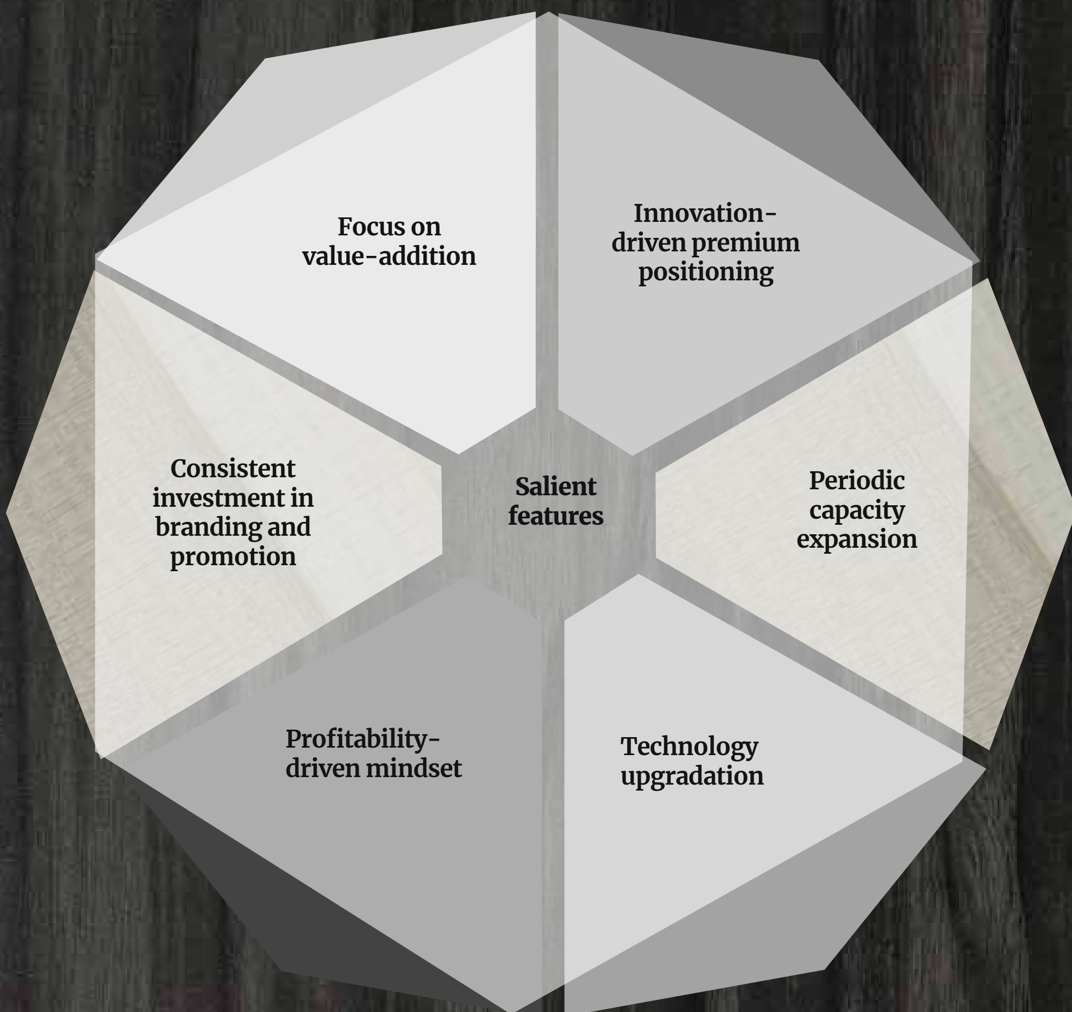
EBIDTA (₹ crore)

FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18
23	32.37	37.85	34.41	38.21

Average realisations (₹/TeU)

FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18
10262	9693	10204	10930	12271

Creating a robust business model at Centuryply



What sets Centuryply apart

Innovative: Centuryply provides innovative products – from boiling water- resistant to termite- and borer-proof plywood to fragrant and fingerprint resistant laminates. The Company evokes the image of innovation among consumers.

Pervasive: The Company has created a strong range of products at different price points. This helps the Company in servicing the entire category of consumer classes. The Company's quality focus ensures superior quality across price points.

Efficient: The Company has integrated backwards in sourcing key raw materials as well as resin conditioning. These helped the Company in strengthening input quality and cost-effectiveness.

Evolving: The Company periodically introduced new products. In the last five years, the Company introduced products like fibre cement boards, doors, MDFs, particle boards among others (10% of revenues in 2017-18). It introduced premium products like 1 mm laminates and pre-laminated MDF boards to drive premiumisation. The Company plans to enter segments like knock down furniture and wooden flooring, among others.

Well-governed: Centuryply is respected for its governance. The Company is navigated by a credible Board (8 Independent Directors) which monitors operations and strategic decisions.

Green: Centuryply is commissioning solar rooftop power projects across manufacturing locations, which will provide suffice around 15% of the Company's entire power requirement and potentially save around 5900 tonnes of CO_2 every year.

Deep: Centuryply has created a strong pan-India distribution network. The Company's products are sold through 2000 dealers and distributors and 22000 retailers, supported by 30 marketing offices in India.

Responsive: The Company's responsive management reduced prices on plywood following GST implementation, reducing the price gap between its products and unorganised sector offerings. It introduced a quality, affordable Bond 710 plywood which reported unprecedented offtake.

Outcomes

9%

Five-year CAGR in revenues

64%

Five-year CAGR in market capitalisation growth

2.88x

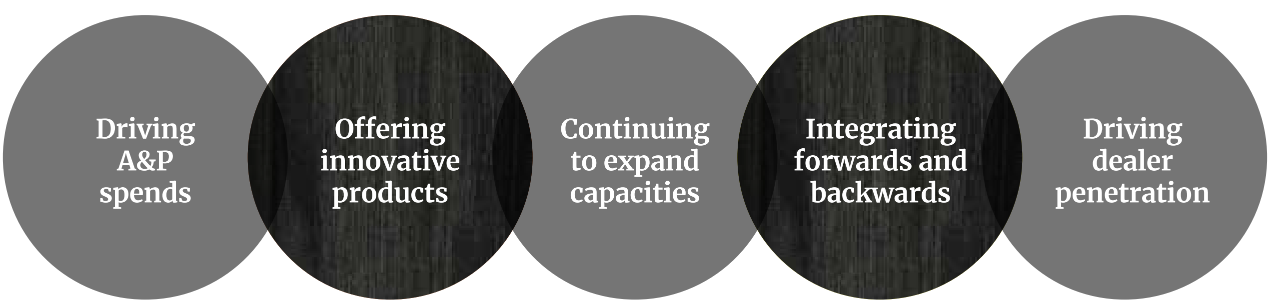
Increase in networth, FY 13-14: 291 crore to FY 17-18: 838 crore

0.65

Debt-equity ratio in FY2013-14 was 1.69 and in FY2017-18, it was 0.65

18.5%

Five-year CAGR growth in profit growth



Push to pull

By adopting a 'pull-based' strategy as opposed to a 'push' in collaboration with Vector Consulting Group, Centuryply has ushered a paradigm shift in its operations.

What exactly does the theory of constraints entail?

The 'Theory of Constraints' proposed by Israeli management guru Eliyahu Goldratt is defined as a powerful yet simple management philosophy that suggests that system constraints limit performance. He proposed five 'focusing steps' to identify and manage these constraints so that organisations could continuously improve. Though accurate, this description does not capture the true essence of the theory, the origins of which are derived from principles of hard sciences. Even as there is an ongoing debate about whether managing an organisation is an art or science, Theory of Constraints assumes that it is possible to apply the principles underlying the development of hard sciences like physics in organizational management.

What was the rationale behind the Company's decision to extend to this space?

Emerging trends offer unprecedented opportunities. In view of this, the Company selected to transform its strategy from 'push-based' to 'pull-based'. The Company's broad objectives comprised the following: increase SKU availability while moderating inventory, strengthening responsiveness to changing supply-demand dynamics. This is precisely what the Company succeeded in achieving. The Company also forged meaningful associations with the carpenter and contractor communities through a loyalty programme called Century Pro Club (launched across select markets in April 2018).

How crucial was it for Centuryply to forge an association with Vector?

To transform 'push' to 'pull', Centuryply needed to implement large changes. This entailed collaborating with shopfloor personnel, sales team members, marketing team members, IT team members and supply chain associates, among others. The Company needed a competent implementation partner like Vector. Vector pioneered the implementation of these solutions in sectors like automobile and auto components, engineering processes, retail and consumer goods, textile, equipment manufacturing and engineering and construction.

What constraints were identified?

There was a challenge in aligning and integrating stakeholders to the common cause of addressing changing market realities without affecting major processes. As a means to this end, Centuryply revamped its IT platform and institutionalised a colour-coded daily replenishment system at the factory to track raw material requirements, output levels and dispatch details. All these pieces fell into place and Centuryply improved marketplace product availability.

What were some of the corrective measures?

The pull-based system inter alia, with farsighted fine-tunings done at the production planning level, allowed Centuryply to liberate capacity, increase throughput and enhance round-the-clock product availability across categories. The biggest change, however, was visible in employee mindset. The Company expended time and resources to explain to them Theory of Constraints. Few were initially sceptical, but when they perceived improvements, they engaged with enthusiasm.

What transpired as a result?

Availability increased across product groups. Owing to assured availability, sales improved. By producing only what was sold, inventory was optimally maintained.

Going ahead, we intend to ensure ~100% availability of the entire product range across sales points. We aim to reduce logistic costs 1-2%, reduce inventory days 20% and reduce the working capital cycle 30%. As an extension, we expect to generate far more output from existing capacities and ~50% improvement in ROI for our dealers and distributors, strengthening the core of our business model.

CENTURYPLY®

DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the Thirty-seventh Annual Report and the Audited Financial Statements of the Company for the financial year ended 31st March, 2018. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL PERFORMANCE

REVIEW

The Company's financial performance for the year ended 31st March, 2018 is summarised below:

₹ in crore

Particulars	STANDALONE		CONSOLIDATED	
	2017-18	2016-17	2017-18	2016-17
Gross Income	2008.72	1943.01	2067.87	1984.41
Profit before Depreciation, Interest & Tax	312.73	314.71	338.93	334.53
Depreciation	81.04	52.38	90.66	59.34
Interest & Finance Charges	32.68	28.64	35.84	30.21
Profit before Tax	199.01	233.69	212.43	244.98
Tax Expenses	42.37	48.13	46.29	51.50
Profit after Tax	156.64	185.56	166.14	193.48
Attributable to:				
Owners of the Company	156.64	185.56	163.06	190.46
Non-controlling interests	-	-	3.08	3.02
Other Comprehensive Income (net of taxes)	(0.58)	(1.99)	(1.74)	(2.43)
Total Comprehensive Income for the year	156.06	183.57	164.40	191.05
Attributable to:				
Owners of the Company	156.06	183.57	161.25	188.24
Non-controlling interests	-	-	3.14	2.80
Opening balance in Retained Earnings	653.87	470.30	655.96	468.48
Adjustment with other equity	(0.58)	(1.99)	(0.44)	(2.43)
Amount available for appropriation	809.93	653.87	818.58	656.51
Final Dividend- FY 2016-17	22.22	0.00	22.22	0.00
Tax on Dividend	4.52	0.00	4.52	0.00
Adjustment on cessation of subsidiaries	-	-	0.00	0.55
Closing Balance in Retained Earnings	783.19	653.87	791.84	655.96

DIVIDEND

Your Company's Dividend Distribution Policy approved and adopted by the Board pursuant to Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") details various considerations based on which the Board may recommend or declare Dividend. Continuing the trend of balancing the dual objective of appropriately rewarding Members through dividends and retaining sufficient funds to support the long term growth of your Company, your Directors are pleased to recommend a final dividend of ₹1.00 per equity share of face value ₹1 each (exclusive of applicable dividend distribution tax) for the financial year ended 31st March, 2018. The Final Dividend, subject to approval of Members at the ensuing Annual General Meeting, will be paid within the statutory period.

TRANSFER TO RESERVES

No amount is proposed to be transferred to any Reserves.

SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2018 was ₹22,25,27,240 divided into 22,21,72,990 Equity Shares of ₹1 each and including ₹3,54,250 received on account of 13,80,000 (post-split) forfeited shares. There has not been any change in the Equity Share Capital of the Company during the Financial Year ended 31st March, 2018. During the year under review, the Company has neither issued shares with differential voting rights nor issued sweat equity or granted stock options

INDIAN ECONOMY AND STATE OF AFFAIRS

2017-18 was a defining year for Indian economy. Businesses are still taking time to adjust in the new tax regime and this had somewhat weighed on the growth rates in the fiscal gone by. Call it disruption or structural reform, demonetisation did have dampening effects on the economy. However, even as its negative impact was fading by the time 2017-18 began, the announcement and subsequent implementation of another reform- the Goods and Services Tax shook the economy and businesses. The result of these two reforms was evident as the Gross Domestic Product (GDP) growth came crashing down to a three-year low of 5.7 percent in the first quarter of 2017-18. It was largely because of pre-GST jitters and lingering effects of demonetisation. Nevertheless, GST has been widely heralded for its potential to create one Indian market and expand the tax base. There has been a large increase in the number of indirect taxpayers; many have voluntarily chosen to be part of the GST, especially small enterprises that buy from large enterprises and want to avail themselves of input tax credits.

Despite all odds, India's GDP growth continued to be significantly higher than most economies of the world. With Gross Domestic Product (GDP) growth averaging 7.5 percent between 2014- 15 and 2016-17, India can be rated as among the best performing economies in the world on this parameter. Even with the lower growth of around 6.6 percent for 2017-18, GDP growth has averaged 7.3 percent for the period from 2014-15 to 2017-18, which is the highest among the major economies of the world. That this growth has been achieved in a milieu of lower inflation, improved current account balance and notable reduction in the fiscal deficit to GDP ratio makes it all the more creditable. Apart from introduction of GST, the year also witnessed significant steps being undertaken towards resolution of problems associated with non-performing assets of the banks, further liberalization of FDI, etc., thus strengthening the momentum of reforms. After remaining in negative territory for a couple of years, growth of exports rebounded into positive one during 2016-17 and strengthened further in 2017-18.

COMPANY'S PERFORMANCE

The revenue from operations for FY 2018 at ₹2002.04 crore was higher by 4% over the last year (₹1920.33 crore in FY 2017). At Standalone level, the Gross Income stood at ₹2008.72 crore as compared to ₹1943.01 crore in the previous year. Profit before tax and Profit after tax, both witnessed a drop of 15% and 16% respectively, compared to the previous year.

On consolidated basis, the revenue from operations for FY 2018 at ₹2060 crore, was higher by 5% over the last year (₹1961.86 crore in FY 2017). Profit before tax and Profit after tax were lower by 13% and 14% respectively, compared to the previous year.

The operations and financial results of the Company are elaborated in the annexed Management Discussion and Analysis.

FUTURE OUTLOOK

The plywood industry is set to witness big change in FY 2018-19. The coming FY will be a defining year for brands who are expanding capacities and introducing economy brands in plywood category to expand their market penetration in each consumer segment. With rationalisation of Goods and Services Tax (GST) from 28 percent to 18 percent on plywood, organised industry players of this sector are hopeful of increasing their market share. The average growth rate of the industry which was about five percent till now was expected to grow at least by 25 percent year-on-year. The Indian market is gradually tilting towards branded products and towards Companies having wider network and capacities, be it in the form of product range or assured quality parameters.

The implementation of E-way bill is set to change the working and selling proposition in the whole building material segment, particularly plywood and laminate. The importance of being a branded or organised company will be realised with each passing year from now onwards. With E-way bill impact, the gap between brand and non-brand products will be narrow hence dealers will prefer buying from better equipped and active manufacturers. In long run, the success will come to organized players who have been waiting for GST. E way bill and a level playing field where taxes for a big firm and a smaller firm has huge difference.

Real estate is one of the major contributors to the economy by supporting innumerable ancillary industries. "Housing for all by 2022" programme of the Central Government is also expected to fuel demand for most building products, with Plywood products being one of them. Regulations like RERA, Benami Transactions (Prohibition) Amended Act, 2016, REITS, GST have paved the way for sustainable growth and enhanced transparency in the Indian real estate sector. Moreover, tax benefits in the realm of affordable housing, interest subsidies for first-time home buyers and reduction in overall interest rates would lend a shot in the arm to the sector. The long term demand for the wood panel products is likely to remain robust led by an increase in middle-class population, urbanization and per capita income among others.

The proposed National Forest Policy 2018 that allows use of degraded forest lands for industry has largely been welcomed by wood-based industries, including paper and wood-based board manufacturers. Plans for Public-Private Partnership in developing degraded forest areas available with Forest Development Corporations (FDCs), management of trees outside forests through agro forestry and farm forestry to increase tree cover while meeting wood demand and augmenting farmers' income are among the features that address challenges facing wood-based industries. Integrating industries and farmers will help wood raw material availability for MDF, a recognised substitute for wood, particle board and engineered products will improve.

With the structural shift in the industry, the Company is expected to be a key beneficiary, going ahead. Centuryply's strong brand equity, raw material security and robust distribution network would give a significant boost to its revenues in coming years. Centuryply's prudent strategy to augment capacities in both plywood and laminates in challenging times paid-off splendidly in as much as its entire capacities remained utilised during the year.

Centuryply's entry into MDF segment has diversified its product offering while providing avenue for growth as the overall MDF segment is expected to maintain its trend of outperforming in the overall wood panel segment. Increasing contribution from MDF segment post higher capacity utilisation is expected to enhance the overall EBITDA margins.

Made from imported timber of high resistance and quality, Century doors have also added further variety to the Company's product basket. With its innovative practices, strict processes and quality parameters, it is ensured that these doors are extremely durable besides being termite and borer proof. The Company is hopeful that this segment would also contribute significantly to its top-line.

Centuryply's unique range of products in the industry branded as 'Zykron' (Fibre cement composite board) and 'Starke' (PVC and Calcium carbonate board) are also increasingly gaining acceptance in the market and the Company continues with its efforts of improvising them.

Exterior grade designer laminate panels is another example of Centuryply's efforts in implementing innovative practices at work. Going beyond the world of interiors, the Company now brings the best of exterior solutions in a variety of designer shades & patterns in the form of laminates that promises to revolutionize building facades.

FUTURE PLANS OF EXPANSION

The Company's Medium Density Fibre (MDF) Board unit at Hoshiarpur in Punjab successfully commenced commercial production in October 2017. The Company incurred a capex of ₹335 crore for the plant which has an installed capacity of 198000 cbm per year with easy access to timber in the nearby vicinity. In the very first year of its operation, the Unit managed to attain a capacity utilisation of more than 50% and the same is expected to be around 85% during FY 2018-19. Going ahead, the Company also has plans to use its MDF produce to make doors, pre-laminated boards and wooden flooring.

The Company's Particle Board unit at Chennai which had started operations in July 2016 with an installed capacity of 54000 cbm per year managed to achieve a capacity utilisation of 80% during the year. It is expected that the unit would attain full capacity utilisation during FY 2018-19.

During the year under review, the Company implemented its plans for expansion of its laminates capacity by around 57% and almost 50% of the targeted enhancement became operational in FY 18. The remaining capacity enhancement is also likely to become operational within the second quarter of FY 2018-19.

Apart from having its foot-hold in Myanmar and Laos, the Company is exploring possibilities of having backward integration in other geographies for securing availability of raw material.

During the year, your Company implemented CRM and also launched sales force management app. Your Company is also investing heavily on brand positioning by way of participation in trade exhibitions to reach out to the influencers and architect community. The Company's entry in to the economy segment product through its secondary brand 'Sainik' has been received well particularly in the smaller cities and rural markets. Further, the launch of a new grade of PF plywood styled as 'Bond 710' to address the mid value segment also received overwhelming response. The Company expects to continue its focus in this segment to widen its customer base.

CHANGE IN NATURE OF BUSINESS, IF ANY

There has not been any change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statements relate and the date of this report.

SUBSIDIARIES

CHANGES IN SUBSIDIARIES

Your Company believes that expansion of its area of operation is imperative for the growth of the Company. As on 31st March, 2018, your Company has 9 subsidiaries and 3 step-down subsidiaries. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013.

During the year under review, Century Ply (Singapore) Pte. Ltd. ('CPSPL'), a subsidiary of your Company, acquired 51% stake in Century Huesoulin Plywood Lao Co., Ltd. (formerly Huesoulin Wood Processing Factory Co. Ltd.), a company situated in Laos, thereby making it a subsidiary of your Company with effect from 28th August, 2017. This was done as a part of the Company's backward integration strategy for ensuring consistent supply of raw materials.

Auro Sundram Ply & Door Pvt. Ltd., Century MDF Ltd., Ara Suppliers Pvt. Ltd., Arham Sales Pvt. Ltd., Adonis Vyaper Pvt. Ltd., Apnapan Viniyog Pvt. Ltd., Century Infotech Ltd., Centuryply Myanmar Pvt. Ltd. and Century Ply (Singapore) Pte. Ltd. continue to remain subsidiaries of the Company while Century Ply Laos Co. Ltd. and PT Century Ply Indonesia continued as step-down subsidiaries as on 31st March, 2018.

Your Company's subsidiary Century Ply (Singapore) Pte. Ltd. has written-off its entire investments in its subsidiary P T Century Ply Indonesia. Consequently, P T Century Ply Indonesia ceased to be a step-down subsidiary of Century Plyboards (India) Ltd. (CPIL) with effect from 5th April, 2018. P T Century Ply Indonesia was incorporated with the object of exploring the possibilities of trading in timber, manufacturing and trading in plywood, etc. in Indonesia. However, after a detailed analysis of the current industrial and marketing scenario in Indonesia, the proposition has not worked out to be presently viable.

OPERATIONS

There has been no material change in the nature of the business of the subsidiaries/ step-down subsidiaries.

Auro Sundram Ply & Door Pvt. Ltd. is engaged in the manufacturing of plywood and allied products from eco-friendly agro-forestry timber and operating a plywood unit at Roorkee in Uttarakhand.

Century Infotech Ltd. is engaged in the business of E-commerce, e-shopping, online information services, online application integration including buying, selling, marketing, trading and dealing in various kinds of products and services.

Centuryply Myanmar Pvt. Ltd. is operating a veneer and plywood unit near Yangon city in Myanmar and is supplying the same primarily to our Company.

Century Ply (Singapore) Pte. Ltd. is undertaking trading in veneer and plywood. It has entered into arrangements with various entities in Laos whereby it has provided them plant and machinery for manufacture and supply of veneer and plywood to it.

Century Ply Laos Co. Ltd. is engaged in the manufacturing of veneer in Attapeu province in Laos out of raw material sourced locally while Century Huesoulin Plywood Lao Co., Ltd. is manufacturing plywood at its unit in Savannakhet Province in Laos.

Ara Suppliers Pvt. Ltd., Arham Sales Pvt. Ltd., Adonis Vyaper Pvt. Ltd. and Apnapan Viniyog Pvt. Ltd. jointly own and hold some land in Kolkata which is yet to be developed. Century MDF Ltd. is yet to commence any commercial activity as on the date.

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

The Policy for determining material subsidiary companies has been framed in accordance with the provisions of Regulation 16(1)(c) of the Listing Regulations. The Policy is used to determine the material subsidiaries of the Company and to provide necessary governance framework for such subsidiaries. The Company does not have any material subsidiary as on the date of this report, having a net worth exceeding 20% of the consolidated net worth or income of 20% of the consolidated income of your Company. The Company'sPolicy for determining Material Subsidiaries can be accessed on the Company's website at the weblink http://www.centuryply.

com/investor/codes&policies/policy-on-material-subsidiary.pdf.

FINANCIAL POSITION & PEFORMANCE

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial statements of the subsidiary companies are reviewed by the Company's Audit Committee.
- Major investments made by the subsidiaries are reviewed quarterly by the Company's Audit Committee
- Minutes of Board meetings of subsidiary companies are placed before the Company's Board regularly.
- Significant transactions and arrangements entered into by subsidiary companies are placed before the Company's Board.

A statement in Form AOC-1 containing the salient feature of the financial statement of the Company's subsidiaries pursuant to first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 is appended as Annexure '1' to this Report. The Contribution of the subsidiaries to the overall performance of the Company during the year is given in note 50 of the consolidated financial statement.

ACCOUNTS

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared by your Company in accordance with the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, and other applicable Accounting Standards and provisions of the Listing Regulations and the same forms a part of the Annual Report.

The Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.centuryply.com. Annual accounts of each of the Subsidiaries, detailing their respective performances have also been placed on the website of your Company www.centuryply.com. Shareholders interested in obtaining a copy of the audited financial statements of the subsidiary companies may write to the Company Secretary at the Company's registered office.

The audited financial statements and audit reports of each of the subsidiaries are available for inspection at the registered office of the Company and that of the respective subsidiaries during working days between 11.00 A.M. and 1.00 P.M.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to the provisions of Schedule V of the Listing Regulations, Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, disclosure on particulars of loans, guarantees and investments made by the Company are given in Annexure '2' hereto and forms a part of this Report.

The Company has not given loans, guarantees or made investments in excess of sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In terms of Regulation 23(1) of the Listing Regulations and also to comply with the provisions of Section 188 of the Companies Act, 2013, your Company has formulated a Policy on materiality of and dealing with Related Party Transactions and the same is also available on the Company's website at: http://www.centuryply.com/investor/codes&policies/policy-for-transactions-with-related-parties.pdf. The Policy intends to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations and also lays down mechanism for identification, approval, review and reporting of such transactions.

All Related Party Transactions are placed before the Audit Committee for review and approval. All contracts and arrangements with related parties, entered into or modified during the financial year, were in the ordinary course of business and on an arm's length basis and in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. During the year, the Company had not entered into any contract/ arrangement / transaction with related parties which could be considered material in terms of the Company's Policy on Materiality of and dealing with Related Party Transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable.

Details of Related Party transactions as per Regulation 53(f) read with Part A of Schedule V of the Listing Regulations is provided under note no. 44 of the Notes to the financial statements. There are no materially significant transactions with related party which may have a potential conflict with the interest of the Company at large.

PUBLIC DEPOSITS

The Company has not invited or accepted deposits from the public covered under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. As such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

AUDITORS

STATUTORY AUDITORS

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Singhi & Co, Chartered Accountants (Firm Registration No. 302049E) were appointed as Statutory Auditors of the Company from the conclusion of Thirty-third Annual General Meeting held in calendar year 2014, until the conclusion of Thirty-eighth Annual General Meeting to be held in the calendar year 2019, subject to ratification by the Shareholders at every Annual General Meeting.

Consequent upon amendment of Section 139 of the Companies Act, 2013 notified on 7th May, 2018, ratification of Auditors' appointment by the Shareholders at every Annual General Meeting is no more required. However, since the resolution passed by the shareholders at their Annual General Meeting in the year 2014 appointing the Statutory Auditors, specified the requirement of annual ratification, your Board considers it appropriate to seek approval of the Members for ratification of appointment of Statutory Auditors at the ensuing Annual General Meeting as well.

The Company has received confirmation from M/s. Singhi & Co. to the effect that they continue to satisfy the criteria provided in Section 141 of the Companies Act, 2013 and that their appointment is within the limits prescribed under Section 141(3)(g) of the Act. Members are requested to ratify their appointment as the Statutory Auditors of the Company and to fix their remuneration.

STATUTORY AUDITORS' REPORT

The report of the Statutory Auditors, M/s. Singhi & Co., on the standalone and consolidated financial statements of the Company, forms a part of the Annual Report. The Statutory Auditors have issued an unmodified audit opinion on the Company's financial statements for the year ended 31st March, 2018 and that there are no qualifications, reservations or adverse remarks made by them in their report. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s MKB & Associates, a firm of Company Secretaries in Practice, to conduct secretarial audit of the Company. Report of the Secretarial Audit in Form MR-3 for the financial year ended 31st March, 2018 is appended hereto as Annexure '3' to this Report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in their report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

I. INDEPENDENT DIRECTORS:

a CHANGES IN INDEPENDENT DIRECTORS:

Sri Manindra Nath Banerjee and Sri Samarendra Mitra resigned from the directorship of the Company with effect from 2nd August, 2017 and 3rd August, 2017 respectively. The Directors wish to place on record their appreciation for the contribution made by Sri Banerjee and Sri Mitra during their long association with the Company. Pursuant to the recommendations of the Nomination and Remuneration Committee, the Board of Directors appointed Sri Debanjan Mandal (DIN - 00469622) and Sri Sunil Mitra (DIN - 00113473) as Additional Directors in the Independent category with effect from 1st August, 2017 and 3rd August, 2017 respectively for a term upto 31st July, 2020. Their appointments were regularized/approved by the shareholders in their previous Annual General Meeting.

b DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB- SECTION (6) OF SECTION 149

Declarations have been received from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

c FAMILIARIZATION PROGRAMME UNDERTAKEN FOR INDEPENDENT DIRECTORS

Regulation 25(7) of the Listing Regulations requires the Company to familiarise its Independent Directors through various programme, inter alia about the Company, nature of industry in which the Company operates, its business model and roles, rights and responsibilities of Independent Directors. One such programme was organised on 30th October, 2017 wherein presentation was made to the Independent Directors by a competent professional giving an overview of roles, responsibilities and liabilities of Independent Directors, relevant provisions of the Companies Act and various SEBI Regulations. Apart from in-house programme, the Independent Directors are also encouraged to participate in various training sessions to update and refresh their skills and knowledge.

Further, as a part of the familiarisation programme, the management of your Company regularly keeps the Independent Directors informed about its business verticals, new strategic initiatives and changes in domestic/ overseas industry scenario and regulatory regime affecting the Company globally. Relevant statutory updates are also circulated on a quarterly basis as a part of the agenda of the Board Meetings through which Directors are made aware of the significant new developments and highlights from various regulatory authorities including Securities and Exchange Board of India and Ministry of Corporate Affairs.

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them familiarize with the Company's procedures and practices. Site visits to the Company's factory locations are organised for the Independent Directors to enable them to understand the operations of the Company. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

Independent Directors are issued Letters of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The induction process for Non-Executive Independent Directors include interactive sessions with Board and Committee members, Business and Functional Heads, visit to market/ plant, etc. All new Independent Directors inducted to the Board are given an orientation. Presentations are made by Executive Directors and Senior Management, giving an overview of the Company's strategy, operations, products, markets, group structure and subsidiaries, Board constitution and guidelines and matters reserved for the Board.

The Company's Board has open channels of communication with executive management which allows free flow of communication amongst Directors in terms of raising query and seeking clarifications. A detailed overview of the familiarization program is available on the Company's website: http://www. centuryply.com/investor/codes&policies/ familiarization-programme.pdf.

II. NON- INDEPENDENT DIRECTORS:

a APPOINTMENT OF WHOLE-TIME DIRECTOR:

The shareholders, at their Annual General Meeting held on 1st September, 2017 approved the appointment of Smt. Nikita Bansal (DIN- 03109710) an Executive Director with effect from 1st February, 2017 for a period of five years. Smt. Nikita Bansal is the daughter of Sri Sanjay Agarwal, CEO & Managing Director.

b RETIREMENT BY ROTATION:

Pursuant to the provisions of Section 152(6)(c) of the Companies Act, 2013, Sri Vishnu Khemani and Sri Keshav Bhajanka retire by rotation, and being eligible, offer themselves for re-appointment. In view of their considerable experience and contribution to the Company, your Directors recommend their re-appointment. Brief resume of the Directors being reappointed would form a part of the notice of the ensuing Annual General Meeting.

III. KEY MANAGERIAL PERSONNEL

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 5th February, 2018 reappointed Sri Prem Kumar Bhajanka and Sri Vishnu Khemani as Managing Directors of the Company for a further period of five years each with effect from 1st August, 2018. Their re-appointment is subject to approval of the shareholders in the ensuing Annual General Meeting. Since Sri Khemani would be attaining the age of 70 years on 16th March, 2022, his re-appointment for a term of five years would require approval of the shareholders by way of a special resolution. The Board of Directors of your Company accordingly recommends the same.

MEETINGS

MEETINGS OF BOARD OF DIRECTORS

At least one meeting of the Board is held in every quarter to review the Company's operations and financial performances. The maximum time gap between any two consecutive Board meetings is not more than 120 days. The Board met four times during the financial year ended 31st March, 2018, details whereof is given in the Corporate Governance Report forming part of the Annual Report.

MEETINGS OF INDEPENDENT DIRECTORS

The Independent Directors of the Company met on 5th February, 2018 without the presence of Non-Independent Directors and members of the Management wherein they inter alia discussed:

- the performance of Non-Independent Directors, the Board as a whole and that of its Committees;
- the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

MANAGERIAL REMUNERATION

PARTICULARS OF MANAGERIAL REMUNERATION

The information required under Section 197 (12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure '4' forming part of this Report.

Your Directors state that none of the Executive Directors of the Company receive any remuneration or commission from any of its Subsidiaries.

PARTICULARS OF EMPLOYEES

The information in respect of employees as required under Section 197 of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure '4' forming part of this Report. There was also no employee receiving remuneration during the year in excess of that drawn by the Managing Director or Whole-time Director and holding by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

CORPORATE GOVERNANCE MEASURES

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that they have:-

(i) followed the applicable accounting standards in the preparation of the Annual Accounts for the year ended 31st March, 2018 along with proper explanations relating to material departures, if any;

(ii) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that period;

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

(iv) prepared the Annual Accounts of the Company on a 'going concern' basis;

(v) laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(vi) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls have been laid down in the Company and that such controls are adequate and operating effectively. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors, including the audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2017-18.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis report, capturing your Company's performance, industry trends and other material changes with respect to your Company and its subsidiaries is presented in a separate section forming part of the Annual Report. The Report provides a consolidated perspective of economic, social and environmental aspects material to our strategy and our ability to create and sustain value to our key stakeholders and includes aspects of reporting as required by Regulation 34(2)(e) read with Schedule V of the Listing Regulations.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India. In terms of Regulation 34 of the Listing Regulations, a Report on Corporate Governance along with Compliance Certificate issued by M/s. MKB and Associates, Company Secretaries in Practice, confirming compliance with the requirements of Corporate Governance, forms a part of the Annual Report. The Company believes in achieving business excellence and optimizing long-term value for its shareholders on a sustained basis through ethical business conduct.

Apart from the mandatory requirements, your Company also complies with certain discretionary requirements of Corporate Governance as specified in Part E of Schedule II of the Listing Regulations.

CEO & CFO CERTIFICATION

Pursuant to Regulation 17(8) read with Regulation 33(2)(a) of the Listing Regulations, a certificate from the Chief Executive Officer and Chief Financial Officer of the Company addressed to the Board of Directors, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is contained elsewhere in the Annual Report.

INTERNAL CONTROLS/ INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has an adequate system of internal controls, commensurate with the nature of its business and the size and complexity of its operations, to ensure that transactions are properly authorised, recorded, and reported, apart from safeguarding its assets. The internal control system is supplemented by well-documented policies, guidelines and procedures. A combination of Entity level controls, Process level controls and IT general controls are in place for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial disclosures.

Your Company uses ERP systems which has inbuilt transactional controls, tiered approval mechanisms and maintenance of supporting records. Standard operating procedures have been laid down to guide the operations of the business. Unit heads are responsible to ensure compliance with the policies and procedures laid down by the management. Robust and continuous internal monitoring mechanisms and review processes ensure that such systems are reinforced on an ongoing basis. Such controls have been tested during the year and no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed.

The Audit Committee evaluates and reviews the adequacy and effectiveness of the internal control systems and suggests improvements. It also regularly reviews the budgetary control system of the Company as well as system for cost control, financial controls, accounting controls, physical verification controls, etc. to assess the adequacy and effectiveness of the internal control systems.

PERFORMANCE EVALUATION

The Nomination and Remuneration Committee of your Company has formulated and laid down criteria for Performance Evaluation of the Board, its Committees and that of every, including Chairman. It covers the areas relevant to the functioning as an Independent Director or other director, member of Board or Committee of the Board.

The Independent Directors, in their separate meeting, evaluated the performance of Non- Independent Directors, the Board as a whole, its Committees and that of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. The Nomination & Remuneration Committee carried out evaluation of every director's performance.

The Board, after taking into consideration the evaluation exercise carried out by the Nomination and Remuneration Committee and by the Independent Directors, carried out an evaluation of its own performance and that of its Committees. The individual performance of all Directors (including the Independent Directors) was also carried out by the entire Board without the presence and participation of the Director being evaluated. A detailed note on parameters and process applied for carrying out the evaluation has been discussed in the Corporate Governance Report.

Based on the evaluations, the performance of the Board, its Committees and Individual Directors (including Independent Directors) was found to be satisfactory. The Independent Directors hold unanimous opinion that the Non- Independent Directors, including the Chairman and Managing Directors are insightful and convincing, besides having in-depth knowledge of the Company and the environment in which it operates.

The Board as a whole is an integrated and balanced where diverse views are expressed and discussed, with each Director bringing to the table, knowledge and expertise key to his or her profile. All Directors are participative, interactive and communicative. Besides, the Chairman has abundant knowledge, experience, skill and understanding of the Board's functioning and conducts the meetings with poise and maturity. The Directors have expressed their satisfaction over the evaluation process and outcome thereof.

Information is provided to the Board and Committee Members on a continuous basis for their review, inputs and approval from time to time. The Independent Directors reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees and unanimously opined that the same is proper, adequate and timely.

COMMITTEES OF BOARD OF DIRECTORS

Dedicated Board Committees are formed to oversee important functions to increase the efficacy of governance. The Board has constituted following Committees of Directors to deal with matters and monitor activities falling within the respective terms of reference:-

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Share Transfer Committee
- Corporate Social Responsibility Committee
- Finance Committee

The details of composition, membership, terms of reference and attendance at the meetings of the above Committees of the Board are provided in the Corporate Governance Report forming part of the Annual Report. There has been no instance where the Board has not accepted the recommendations of its Committees.

POLICIES AND CODES

REMUNERATION POLICY

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The Company has a Board approved Remuneration Policy on appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel, containing criteria for determining qualifications, positive attributes and independence of a director.

The Remuneration Policy is aimed to attract, retain and motivate highly qualified members for the Board and other executive level and to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant regulations. The Remuneration Policy of the Company is appended as 'Annexure 5' to this Report and is also available on our website at http://www.centuryply.com/investor/codes&policies/remuneration-policy.pdf

BOARD DIVERSITY POLICY

Your Company recognises and embraces the benefits of having a diverse Board which possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the business of the Company. The Company's Board Diversity Policy, formulated in accordance with the Listing Regulations, ensures that the Board is fully diversified and comprises of an ideal combination of executive and non-executive directors, including independent directors, with diverse backgrounds. This policy is largely framed to address the importance of a diverse Board in harnessing the unique and individual skills and experiences of the members in a way that collectively benefits the organisation and business as a whole. A diverse Board leverages differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, thereby enhancing the quality of decisions made by the Board for achieving sustainable and balanced growth of the Company. The Company's Board Diversity Policy is available on our website at http://www.centuryply.com/investor/codes&policies/board-diversity-policy.pdf.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of employees from reprisals or victimisation, for whistle blowing in good faith. The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected incidents of fraud or violation of the Company's Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation. The Policy provides that the Vigilance and Ethics Officer of the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that requisite standards of professional and ethical conduct are always upheld. The Company has also made provisions for adequate safeguards against victimisation of employees and Directors who bring such incidents to the attention of the Company. The Audit Committee oversees the implementation of the Whistle Blower Policy which provides for direct access to the Chairman/ CEO/ Chairman of the Audit Committee in exceptional cases. The said policy may be referred to, at the Company's website at: http://www.centuryply.com/investor/codes&policies/vigil-mechanism-policy.pdf. During the financial year ended 31st March, 2018, no case was reported under this policy. No person has been denied access to the Chairman of the Audit Committee.

RISK MANAGEMENT POLICY

Risk Management is an attempt to identify and then manage threats that could severely impact or bring down the organisation. Generally, this involves reviewing operations of the organisation, identifying potential threats, likelihood of their occurrence, value impact thereof and then taking appropriate actions to address the most likely threats. The Board of Directors of your Company has framed and adopted a policy on Risk Management to minimise the adverse consequence of risks on business objectives of the Company. The Board is kept informed about the risk assessment and minimization procedures. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The risk management systems are periodically reviewed by the Audit Committee to ensure that the executive management controls the risk as per decided policy. More details on Risk Management indicating development and implementation of Risk Management policy including identification of elements of risk and their mitigation are covered in Management's Discussion and Analysis, which forms a part of this Report.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

Your Company firmly believes in providing a safe, supportive and friendly workplace environment – a workplace where our values come to life through underlying behaviour. Positive workplace environment and a great employee experience are integral parts of our culture. Your Company believes in providing and ensuring a workplace free from harassment and gender-based discrimination. The Company also organises training sessions across the organisation to create awareness on the subject amongst the employees.

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information. The said Policy is available on your Company's website www.centuryply.com.

Your Company has a robust mechanism in place to redress complaints reported under it. There is an Internal Complaints Committee (ICC) comprising of internal members and an external member who has extensive experience in the field. Adequate workshops and awareness programme against sexual harassment are conducted across the organization. Employees may report complaints to the Complaints Committee formed for this purpose or to any member thereof or to the location head. During the year, no complaint regarding sexual harassment was received by the said Committee.

DIVIDEND DISTRIBUTION POLICY

Your Company being one of the top five hundred listed Company (based on market capitalisation) has formulated and adopted Dividend Distribution Policy in terms of Regulation 43A of the Listing Regulations and the same has been appended as Annexure '6' to this Report and is also available on the Company's website at: http://www.centuryply.com/investor/codes&policies/dividend-distribution-policy.pdf.

This Policy serves as a guiding tool in maintaining a right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized, etc. Through this policy, the Company aims to maintain a consistent approach to dividend pay-out plans.

POLICY FOR DETERMINING MATERIALITY OF EVENTS/ INFORMATION

In line with requirements under Regulation 30 of the Listing Regulations, the Company has framed a Policy for determination of materiality of events/ information which is available on our website at http://www.centuryply.com/investor/codes&policies/policy-for-determination-of-materiality.pdf. The objective of this policy is to have uniform disclosure practices and ensure timely, adequate and accurate disclosure of information on an ongoing basis.

OTHER POLICIES

Policy on Materiality of and dealing with Related Party Transactions, Policy for Preservation of Documents and Archival Policy are some of the other policies formulated and adopted by the Board pursuant to the requirement of Listing Regulations. These policies may be accessed on the Company's website www.centuryply.com.

CODE OF CONDUCT

With intent to enhance integrity, ethics & transparency in governance of the Company, and thereby reinforce the trust and confidence reposed in the Management of the Company by the shareholders and other stakeholders, your Company had adopted a Code of Conduct for Directors and Senior Management Personnel. The Code has been displayed on the Company's website www.centuryply.com and details thereof has also been included in the Corporate Governance Report forming part of the Annual Report.

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS AND CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Your Company has adopted a 'Code of Conduct to regulate, monitor and report trading by Insiders'. The Code prohibits and deters the Directors of the Company and other specified employees and their relatives from dealing in the securities of the Company on the basis of any unpublished price sensitive information available to them by virtue of their position in the Company. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The Code is available on the website of the Company www.centuryply.com. Awareness emails are also circulated to all designated persons from time to time highlighting the compliance requirements arising out of this Code apart from educating them on the do's and don'ts of insider trading.

Your Company's has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. This Code lays down principles and practices to be followed by the Company with respect to adequate and timely disclosure of unpublished price sensitive information.

CORPORATE SOCIAL RESPONSIBILITY

Your Company believes in making lasting impact towards creating a just, equitable, humane and sustainable society. Your Company has been involved with social initiatives for more than two decades and engages in various activities in the field of education, healthcare and environment, etc. Your Company's Corporate Social Responsibility (CSR) initiatives are also designed to address the challenge of capacity building and securing sustainable livelihoods of the marginalized/ underprivileged sections of the society around its works.

The terms of reference of CSR committee, framed in accordance with Section 135 of the Companies Act, 2013 are set out in the Corporate Governance Report forming part of the Annual Report. The CSR Committee has confirmed that the implementation and monitoring of CSR Policy is in conformity with CSR objectives and policy of the Company and in compliance with Section 135 of the Companies Act, 2013.

Your Company's CSR is available on the Company's website at http://www.centuryply.com/investor/codes&policies/csr-policy.pdf. A brief outline on the policy and the initiatives undertaken by the Company on CSR activities during the year are set out in the CSR Report appended hereto as Annexure '7' in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

BUSINESS RESPONSIBILITY

Your Company embraces the fact that sustainability is indispensable for the success of any organisation and that it requires comprehensive strategies that extend to all aspects of the business – from the board room, to employees, to suppliers, to consumers and to the community at large. The Business Responsibility Policy adopted by your Company focusses on developing and integrating a detailed sustainability vision into its long-term strategic plan in a way that creates lasting value for its stakeholders whilst also building public trust. This is premised on striking a proper balance between economic, social and environmental performance in dealings with various stakeholders, thereby ensuring sustainable development for the Company.

The Business Responsibility Report as required under Regulation 34(2)(f) of the Listing Regulations is appended as Annexure '8' to this Report, mapping the sustainability performance of your Company against the reporting framework suggested by SEBI. The Report describes the initiatives taken by the Company from an environmental, social and governance perspective.

MISCELLANEOUS

EXTRACT OF THE ANNUAL RETURN

An extract of Annual Return as on the financial year ended on 31st March, 2018 in Form No. MGT-9 as required under Section 134(3)(a) and 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out as Annexure- '9' to the Directors' Report and forms a part of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

The Company sends notices, Annual Report and other communications through email to Members whose email IDs are registered with the Company/ Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report are sent through permitted mode. Members requiring physical copies can send a request to the Company.

The Company regularly appeals to its shareholders to participate in the 'Green initiative' by converting their shareholdings from physical to electronic mode, registering their email IDs and opting for receiving documents from the Company in electronic mode, receiving dividend by direct credit to their bank accounts instead of physical dividend warrants etc.

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

Your Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of the employees have enabled your Company to remain at the forefront of the Industry. With technology becoming a key enabler of business and a vital part of strategy, your Company has focused on leveraging technology and digitization as a key part of its people strategy. The launch of an interactive intranet portal and mobile application 'centurion' is one such attempt to bring employees together and closer to the management besides keeping them informed of the happenings in the Company.

Your Company has been proactive in providing its work-force with a right mix of challenges and opportunities, learning platforms and leading positions, safe workplace and egalitarian work culture along with professional growth and personal development. Long-service award are being organised to recognize the loyalty and commitment of employees. Performance recognition through initiatives like 'Sarvada Sarvottam Ambassadors', 'Champions', 'Star Performers' and 'i-lead' are also being carried out from time to time. All these initiatives coupled with quick grievance resolution mechanisms has enabled the Company to create a highly motivated pool of professionals and skilled workforce that share a passion and vision of the Company.

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

Particulars as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given in Annexure '10' hereto and forms a part of this Report.

INVESTOR EDUCATION AND PROTECTION FUND

Unclaimed dividend for the years prior to and including the financial year 2009-10 has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company as on 1st September, 2017 (date of last Annual General Meeting) on the Company's website www.centuryply.com and also on the website of Ministry of Corporate Affairs.

Dividends for the financial year 2010-11 onwards, if remaining unclaimed for 7 years, will be transferred by the Company to IEPF on respective due dates. Shareholders who have not claimed the dividend for this period are requested to lodge their claim with the Company. The Company regularly sends reminder letters through electronic and/or physical means to all those shareholders whose dividend are lying unclaimed for any year/(s) during the last seven years requesting them to claim their dividend amounts.

Pursuant to Section 124(6) of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer And Refund) Rules, 2016 ('IEPF Rules'), your Company has transferred 61450 shares (on which dividend remained unpaid or claimed for seven consecutive years or more) held by 299 shareholders to the demat account of IEPF authority.

ANNEXURES

ANNEXURES FORMING PART OF THIS REPORT OF THE DIRECTORS

The Annexures referred to in this Report containing information required to be disclosed are annexed as under:

Annexure	Particulars
1	Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures
2	Details of Loans, Guarantees and Investments
3	Secretarial Audit Report
4	Particulars of Employees and Managerial Remuneration
5	Remuneration Policy
6	Dividend Distribution Policy
7	Report on Corporate Social Responsibility
8	Business Responsibility Report
9	Extract of Annual Return
10	Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo

APPRECIATIONS AND ACKNOWLEDGEMENTS

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth. The Directors wishes to place on record their appreciation of the efficient and loyal services rendered by each and every employee, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible and look forward to the long term future with confidence.

Your Company extends its thanks to its customers, vendors, dealers, investors, business Associates, bankers, Stock Exchanges, Regulatory Authorities and Central and State Governments for their continued support during the year. The trust and confidence reposed by the customers in the Company and its products is especially cherished. Your Directors also wish to place on record their appreciation of the wholehearted and continued support extended by the Shareholders and Investors, which had always been a source of strength for the Company. Your Directors look forward to your continued support.

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)
Chairman & Managing Director

Kolkata, 24th July, 2018

Annexure 1

FORM AOC- 1

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

PART "A" : SUBSIDIARIES

₹ in lac

Sl.	Particulars	Name of Subsidiaries									Step-Down Subsidiaries		
		Auro Sundram Ply & Door Pvt. Ltd.	Century MDF Ltd.	Ara Suppliers Pvt. Ltd.	Arham Sales Pvt. Ltd.	Adonis Vyaper Pvt. Ltd.	Apnapan Viniyog Pvt. Ltd.	Century Infotech Ltd.	Centuryply Myanmar Pvt. Ltd.	Century Ply (Singapore) Pte. Ltd.	Century Ply Laos Co. Ltd.	PT Century Ply Indonesia	Century Huesoulin Plywood Lao Co.,Ltd.
1	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018	31st March, 2018
2	Reporting currency	INR	INR	INR	INR	INR	INR	INR	USD	USD	USD	USD	USD
3	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-	-	-	-	-	-	-	65.04	65.04	65.04	65.04	65.04
4	Share Capital	100.00	30.00	177.76	177.76	177.76	177.76	499.50	5937.49	3629.42	22.87	254.96	394.14
5	Reserves & Surplus	2183.41	(0.13)	(9.45)	(8.43)	(8.53)	(8.47)	(469.11)	290.91	412.06	45.06	(0.99)	270.36
6	Total Assets	5444.67	29.99	168.47	169.50	169.39	169.45	126.58	6271.93	8838.82	6037.73	272.16	3852.37
7	Total Liabilities	5444.67	29.99	168.47	169.50	169.39	169.45	125.58	6271.93	8838.82	6037.73	272.16	3852.37
8	Investments# (except investments in subsidiaries)	-	-	152.54	152.54	152.54	152.54	-	-	-	-	-	-
9	Turnover	9734.29	-	-	-	-	-	293.76	4812.27	7983.01	1716.90	-	5229.16
10	Profit before Tax	904.83	(0.02)	0.08	0.14	0.11	0.10	(9.51)	(157.82)	264.41	21.28	(0.26)	88.09
11	Provision for Tax	300.00	-	0.02	0.04	0.03	0.03	3.30	-	94.49	-	-	-
12	Profit / (Loss) after Tax	604.83	(0.02)	0.06	0.10	0.08	0.07	(6.21)	(157.82)	169.92	21.28	(0.26)	88.09
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-
14	Percentage of Shareholding	51.00	100.00	80.00	80.00	80.00	80.00	60.06	100.00	97.26	90.00	95.00	51.00

Includes investments in property

OTHER INFORMATION

1 Names of subsidiaries which are yet to commence operations as on 31st March, 2018 - Century MDF Ltd and PT Century Ply Indonesia.

2 Names of subsidiaries which have been liquidated or sold during the year - None

PART "B" : ASSOCIATES AND JOINT VENTURES

The Company does not have any Associate or Joint Venture.

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & *Managing Director*
DIN:00246132

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

Kolkata, 16th May, 2018

Annexure 2

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS MADE DURING THE YEAR ENDED 31ST MARCH, 2018

Name of the entity	Relation	Amount (₹ in Lac)	Particulars of Loans, Guarantees and Investments	Purpose for which the Loan, Guarantee and Investment are proposed to be utilised
Auro Sundram International Pvt. Ltd.	NA	1,000.00	Loan Given at Market Rates	Business purpose
Beekay Steel Industries Ltd.*	NA	400.00	Loan Given at Market Rates	Business purpose
Vikram India Ltd.*	NA	200.00	Loan Given at Market Rates	Business purpose
OPG Power Generation Pvt. Ltd.	NA	2.02	Investment in Shares	Business purpose
Association of Indian Panelboard Manufacturer	NA	0.50	Share Application Money given	Business purpose
Watsun Infrabuild Pvt. Ltd.	NA	32.02	Share Application Money given	Business purpose
Mutual Funds (Liquid Category)#	NA	8,939.45	Mutual Funds	Temporary investment of surplus funds
Dealers & Distributors	NA	612.75	Guarantee	Channel Financing

* Maximum amount due at any point of time during the year; Year end balance: NIL

Maximum Investment at any point of time during the year; Year end balance: NIL

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)
Chairman & Managing Director

Kolkata, 24th July, 2018

Annexure 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To
The Members,
CENTURY PLYBOARDS (INDIA) LIMITED

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

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period for the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018, to the extent applicable, according to the provisions of:

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

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

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

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

   b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations 2015

   c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

   e) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008

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

   g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

   h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998

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

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:

   a) The Indian Forest Act, 1927

   b) The Water (Prevention and Control of Pollution) Act, 1974

   c) The Air (Prevention and Control of Pollution) Act, 1981

   d) The West Bengal Forest (Establishment And Regulation of Saw-Mills and other Wood-based Industries) Rules, 1982

   e) The Environment (Protection) Act, 1986

   f) Petroleum Act, 1934 & Petroleum Rules, 2002

g) The Legal Metrology Act, 2009

h) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that:

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

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

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that during the audit period the Company has passed special resolution for reappointment of Mr. Hari Prasad Agarwal as the as Vice-Chairman and Executive Director of the Company.

This report is to be read with our letter of even date which is annexed as Annexure – 1 which forms an integral part of this report.

For **MKB & Associates**
Company Secretaries

Manoj Kumar Banthia
(Partner)
ACS no. 11470
COP no. 7596
FRN: P2010WB042700

Date: 24th July, 2018
Place: Kolkata

ANNEXURE – 1

To
The Members,
Century Plyboards (India) Limited

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MKB & Associates**
Company Secretaries

Manoj Kumar Banthia
(Partner)
ACS no. 11470
COP no. 7596
FRN: P2010WB042700

Date: 24th July, 2018
Place: Kolkata

Annexure 4

PARTICULARS OF EMPLOYEES

Information required under Section 197 of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Designation	Qualification	Nature of Employment	Nature of duties	Age (Years)	Date of Joining	Experience (Years)	Gross Remuneration (Total) (₹)	Previous Employment	Designation at Previous Employment	Relationship with Director/ Manager
Employed throughout the financial year											
Sri Sajjan Bhajanka	Chairman & Managing Director	Commerce Graduate	Contractual	Management, administration & finance	66	5-Feb-86	39	1,20,00,000	None	N.A.	Father of Sri Keshav Bhajanka
Sri Sanjay Agarwal	CEO & Managing Director	Commerce Graduate	Contractual	Marketing & sales promotion	57	5-Jan-82	31	1,20,00,000	None	N.A.	Father of Smt. Nikita Bansal
Sri Vishnu Khemani	Managing Director	Science Graduate	Contractual	Management & administration	66	16-Apr-08	40	1,20,00,000	Sharon Veneers Pvt. Ltd.	Managing Director	None
Sri Prem Kumar Bhajanka	Managing Director	Commerce Graduate	Contractual	Management & administration	60	16-Apr-08	38	1,20,00,000	Century Panels Pvt. Ltd.	Managing Director	None
Sri Ajay Baldawa	Executive Director	B.E. Engg., M.Tech.	Contractual	Production; Project implementation	61	23-Feb-94	36	1,10,50,000	Sarda Plywood Industries Ltd.	General Manager	None
Sri Himanshu J Shah	President - MDF Business	"B.Com. (Hons.); FCA"	Permanent	Business Head	58	1-Sep-15	32	1,07,00,016	Bajaj Eco- Tec Products Ltd.	President	None
Sri Arun Kumar Julasaria	Chief Financial Officer	B.Com. FCA; FCS	Permanent	Finance, Taxation, Accounts	56	5-Aug-04	33	1,01,40,897	Mani Group	Finance Head	None
Sri Shankho Chowdhury	Executive LOB Head- Decoratives	B.A. Honours	Permanent	Sales & Marketing	57	1-Aug-13	29	96,43,724	Consultancy K	Director	None
Sri Navarun Sen	Executive LOB Head- Panel	PGDM	Permanent	Sales & Marketing	51	1-Nov-13	27	89,05,372	UNINOR	Circle Business Head	None
Shri Rajeev Malik	National Sales Manager	MBA	Permanent	Sales & Marketing	45	1-Jul-15	19	76,38,560	Tata Teleservices Ltd.	AVP- Circle Head	None

PARTICULARS OF MANAGERIAL REMUNERATION

Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl.	Requirements of Rule 5(1)	Details	
(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	**Executive Directors**	**Ratio**
		Sri Sajjan Bhajanka	65.81 : 1
		Sri Hari Prasad Agarwal	32.91 : 1
		Sri Sanjay Agarwal	65.81 : 1
		Sri Prem Kumar Bhajanka	65.81 : 1
		Sri Vishnu Khemani	65.81 : 1
		Sri Keshav Bhajanka	27.42 : 1
		Sri Ajay Baldawa	60.60 : 1
		Smt. Nikita Bansal	13.16 : 1

Sl.	Requirements of Rule 5(1)	Details	
		Non-executive Independent Directors	**Ratio**
		Sri Mangi Lal Jain	1.65 : 1
		Sri Santanu Ray	1.65 : 1
		Sri Asit Pal	1.65 : 1
		Smt. Mamta Binani	1.65 : 1
		Sri J. P. Dua	1.65 : 1
		Sri Vijay Chhibber	1.65 : 1
		Sri Debanjan Mandal	1.65 : 1
		Sri Sunil Mitra	1.65 : 1
		Sri Manindra Nath Banerjee*	0.37 : 1
		Sri Samarendra Mitra*	0.37 : 1
		** Pro-rated*	
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	**Executive Directors**	**Percentage Increase**
		Sri Sajjan Bhajanka	Nil
		Sri Hari Prasad Agarwal	Nil
		Sri Sanjay Agarwal	Nil
		Sri Prem Kumar Bhajanka	Nil
		Sri Vishnu Khemani	Nil
		Sri Keshav Bhajanka	Nil
		Sri Ajay Baldawa	19.46
		Smt. Nikita Bansal	Nil
		Non-executive Independent Directors	
		Sri Mangi Lal Jain	50
		Sri Santanu Ray	50
		Sri Asit Pal	50
		Smt. Mamta Binani	50
		Sri J. P. Dua	50
		Sri Vijay Chhibber*	N.A.
		Sri Debanjan Mandal*	N.A.
		Sri Sunil Mitra*	N.A.
		Sri Manindra Nath Banerjee	Nil
		Sri Samarendra Mitra	Nil
		CFO and CS	
		Sri Arun Kumar Julasaria (CFO)	Nil
		Sri Sundeep Jhunjhunwala (CS)	16
		**Paid for the first time*	
(iii)	the percentage increase in the median remuneration of employees in the financial year	9.26%	
(iv)	the number of permanent employees on the rolls of Company (as on 31st March, 2018)	7116	
(v)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase in salary of non-managerial employees	12
		Average percentile increase in salary of managerial employees	3.5
		The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time. The average increase is also an outcome of the Company's performance and its market competitiveness as against its peer group companies.	
(vi)	affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended 31st March, 2018 is as per the Remuneration Policy of the Company.	

For and on behalf of the Board of Directors
Sajjan Bhajanka
(DIN: 00246043)
Chairman & Managing Director

Kolkata, 24th July, 2018

Annexure 5

REMUNERATION POLICY

1. PREAMBLE

1.1 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "**Executives**"). The expression ''senior management'' means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

1.2 The policy will be reviewed every year by the Nomination and Remuneration Committee of the Board of Directors.

2. AIMS & OBJECTIVES

2.1 The aims and objectives of this remuneration policy may be summarized as follows:

2.1.1 The remuneration policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and other executive level.

2.1.2 The remuneration policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.

2.1.3 The remuneration policy will ensure that the interests of Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and will be consistent with the "pay-for-performance" principle.

2.1.4 The remuneration policy will ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

3. PRINCIPLES OF REMUNERATION

3.1 Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.

3.2 Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

3.3 Internal equity: The Company shall remunerate the board members, KMP and senior management in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.

3.4 External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.

3.5 Flexibility: Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.

3.6 Performance-Driven Remuneration: The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.

3.7 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

4. NOMINATION AND REMUNERATION COMMITTEE

4.1 Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.

4.2 The Committee shall be responsible for

4.2.1 Formulating framework and/or policy for remuneration, terms of employment and any changes, including service contracts, remuneration, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;

4.2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Executives.

4.2.3 Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out evaluation of every director's performance.

4.2.4 Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

4.3 The Committee shall:

4.3.1 review the ongoing appropriateness and relevance of the remuneration policy;

4.3.2 ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;

4.3.3 obtain reliable, up-to-date information about remuneration in other companies;

4.3.4 ensure that no director or executive is involved in any decisions as to their own remuneration.

4.4 Without prejudice to the generality of the terms of reference to the Remuneration Committee set out above, the Remuneration Committee shall:

4.4.1 operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);

4.4.2 liaise with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors; and

4.4.3 review the terms of executive Directors' service contracts from time to time.

5. PROCEDURE FOR SELECTION AND APPOINTMENT OF THE BOARD MEMBERS

5.1 Board membership criteria

5.1.1. The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations

5.1.2. In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making in the array of complex issues facing the Company.

5.1.3. Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency

5.1.4. In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust

5.1.5. The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business

5.2 Selection of Board Members/ extending invitation to a potential director to join the Board

5.2.1. One of the roles of the Committee is to periodically identify competency gaps in the

Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

5.2.2. The Board then makes an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director is appointed by the Board.

6. PROCEDURE FOR SELECTION AND APPOINTMENT OF EXECUTIVES OTHER THAN BOARD MEMBERS

6.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon;

6.2 The Committee may conduct a wide-ranging search for candidates for the positions of KMP and SMP within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity, and on the human resources market;

6.3 The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;

6.4 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of KMP and SMP;

6.5 Before the selection of KMP or SMP, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors;

6.6 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

7. COMPENSATION STRUCTURE

7.1 Remuneration to Non-Executive Directors:

The Non-executive Directors of the Company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees. The said sitting fees paid to the Non-executive Directors for the Board Meetings and Committee meetings are fixed by the Board and reviewed from time to time in accordance with applicable law. The Non-executive Directors shall also be paid such commission as the Board may approve from time to time subject to the limits prescribed in the Act or Rules made thereunder and approved by the shareholders.

7.2 Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) & Senior Management Personnel(s) (SMPs):

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration are governed by the external competitive environment, track record, potential, individual performance and performance of the Company as well as industry standards.

The remuneration determined for MD/WTDs are approved by the Board of Directors and members at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V of the Companies Act, 2013. As a policy, the Executive Directors are not paid sitting fee.

In addition to the basic/fixed salary, benefits, perquisites and allowances, the Company may provide for payment to its MDs/ WTDs, such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The specific amount payable to the MDs/WTDs would be based on performance as evaluated by the Board or any Committee thereof.

8. ROLE OF INDEPENDENT DIRECTORS

8.1 The Committee shall, in consultation with the Independent Directors of the Company, prepare and submit this policy to the Board for its approval

8.2 The Independent Directors shall have power and authority to determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management.

8.3 The Independent Directors shall submit its recommendations/ proposals/ decisions to the Committee which the Committee shall consult and take to the Board of Directors.

9. APPROVAL AND PUBLICATION

9.1 This remuneration policy as framed by the Committee shall be recommended to the Board of Directors for its approval.

9.2 This policy shall be placed on the Company's website.

9.3 Necessary disclosures in respect of the policy shall be made in the Directors Report in the manner stated in the Companies Act, 2013 or any other statute.

10. SUPPLEMENTARY PROVISIONS

10.1 This Policy shall formally be implemented from the date on which they are adopted pursuant to a resolution of the Board of Directors.

10.2 Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant state laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.

10.3 The right to interpret this Policy vests in the Board of Directors of the Company.

Annexure 6

DIVIDEND DISTRIBUTION POLICY

PREAMBLE

The shares of Century Plyboards (India) Limited ('the Company') are presently listed on The National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE). Securities Exchange Board of India (SEBI) vide its Notification No. SEBI/LAD-NRO/GN/2016-17/008 dated July 08, 2016, inserted Regulation 43A in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') mandating the formulation of a Dividend Distribution Policy for the top 500 listed entities based on their market capitalisation calculated on March 31 of every financial year. In compliance with the said Regulation, the Company is required to frame a Dividend Distribution Policy ('the/this Policy') which would aid investors in identifying stocks that match their investment objectives.

EFFECTIVE DATE

This Policy is effective from the date of its adoption by the Board on 1st November, 2016.

INTENT AND OBJECTIVE

The intent of the policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend, etc.

The objective of the Dividend Distribution Policy of the Company is to reward its shareholders by sharing a portion of the profits, whilst also ensuring that sufficient funds are retained for growth of the Company. This policy aims to ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company.

The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The Board of Directors will refer to the policy while declaring/ recommending dividends on behalf of the Company.

Through this policy, the Company would endeavour to maintain a consistent approach to dividend pay-out plans. This Policy will also regulate the process of dividend declaration and its pay-out by the Company in accordance with the provisions contained in Companies Act, 2013 read with the applicable Rules framed thereunder, as may be in force for the time being.

This Policy intends to act as a guiding tool to the Board for taking decision whether to distribute or to retain its profits, in the best interest of the stakeholders. It should not be construed as an alternative to the decision making process of the Board, which is based on careful consideration of several factors and circumstances. This Policy endeavours for fairness, consistency and sustainability while distributing profits to the shareholders.

CATEGORIES OF DIVIDEND AND PROCESS FOR APPROVAL

The Companies Act provides for two Types of Dividend namely Interim dividend and Final Dividend. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company.

Final Dividend

The Final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of Final Dividend to the shareholders in a general meeting. The declaration of Final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

Process for approval of Payment of Final Dividend:

- Board shall recommend quantum of final dividend payable to shareholders in its meeting in line with this Policy based on the profits arrived at as per the audited financial statements
- Dividend as recommended by the Board shall be approved/ declared at the annual general meeting of the Company.
- Payment of dividend to the eligible shareholders shall be made within 30 days from the date of declaration or within such time as may be prescribed under applicable law.

Interim dividend

This form of dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors of the Company would declare an interim dividend, as and when considered appropriate, in line with this policy. Normally, the Board could consider declaring an interim dividend after finalization of quarterly (or half yearly) financial statements. This would be in order to supplement the annual dividend or in exceptional circumstances.

Process for approval of Payment of Interim Dividend:

- Board may declare Interim Dividend at its complete discretion, one or more times in a financial year in line with this Policy based on profits arrived at as per quarterly (or half- yearly) financial statements including exceptional items.

- Payment of dividend to the eligible shareholders shall be made within 30 days from the date of declaration or within such time as may be prescribed under applicable law.
- Interim dividend paid during the year shall be confirmed in the annual general meeting, held after the payment of the same.

DIVIDEND GUIDELINE

The Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, available cash flow, Capex requirements and applicable taxes. Distribution of dividend in kind, i.e. by way of issue of fully or partly paid bonus shares or other securities shall be subject to applicable law.

In the event of inadequacy or absence of profits in any year, the Company may declare dividend out of surplus subject to the fulfilment of conditions specified under the Companies Act, 2013 and rules made thereunder, including any amendment/ modifications thereto.

Payment of dividend shall be based on the respective rights attached to each class of shares as per their terms of issue.

Preference Shareholders shall be entitled and paid dividend at the fixed rate as per the terms of issue. In case of the Cumulative Preference Shares, if the Company is not having distributable profits for any certain financial year or the Company is not able to pay the dividend, then this shall be accumulated and be paid later on. Dividend when declared shall be first paid to the preference shareholders of the Company as per the terms and conditions of their issue.

RELEVANT FACTORS FOR CONSIDERATION WHILE DECLARING DIVIDEND

The decision regarding dividend pay-out is a crucial one as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained by the Company for its business. The Board of Directors will endeavour to take a decision with an objective to enhance shareholders wealth and market value of the shares. However, the decision regarding pay-out is subject to several factors and hence, any optimal policy in this regard may be far from obvious.

The Board shall consider the following factors while deciding the dividend pay-out:

Internal Factors:-

a. Profits earned during the year

The profits earned during a financial year is the foremost criteria which impacts dividend pay-out decision.

b. Present & future liquidity requirements of the existing businesses

Availability of adequate operating cash flow is necessary for a business to meet its financial obligations and for running its day-to-day operations. This may impact the Boards decision to declare dividend or retain its profits.

c. Expansion/Modernization of existing businesses

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

d. Brand/ Business Acquisitions

Acquisition of brands and businesses, increasing expenditure on marketing, advertising and brand building in the long-run will also influence the Board's decision of declaration of dividend.

e. Additional investments in subsidiaries/associates of the Company

The Company operates in various areas through subsidiaries/ associates and continuously needs to make investments therein. Capital requirements of these entities for expansion and operations also need to be assessed by the Board.

f. Fresh investments into external businesses

The Company is continuously exploring the possibility of establishing its foot-prints overseas in order to secure availability of resources in the long-run. This may lead to substantial capital requirements and may impact dividend distribution.

g. Cost of borrowings

Cost of funds raised/ to be raised from bankers, lending institutions or through issuance of debt securities vis-à-vis ploughing back of profits also needs to be considered while deciding dividend payment.

h. Obligations towards creditors

The Company needs to maintain adequate liquidity to be able to fulfil its obligations towards its creditors within the agreed time. Considering the volume of such obligations and time period of repayment, the decision of dividend declaration shall be taken.

i. Post dividend EPS

Post dividend EPS tends to have substantial impact on market capitalisation and the same also needs to be considered before declaring dividend.

j. Past dividend pay-out

Track record of dividend pay-out in the past and its trend also tends to impact dividend distribution decision.

External Factors:-

Many external factors act as determinants for the amount of dividend proposed to be declared. In such conditions, the

Board shall exercise its discretion after due consideration of such factors:

State of Economy

In case of uncertain or recessionary economic and business conditions, whether in the National or International markets, Board will endeavour to retain larger part of profits to have adequate reserves to absorb unforeseen and adverse circumstances.

Capital Markets

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

Taxation and Statutory Restrictions

The Board shall consider the tax regulations in respect of Dividend distribution together with restrictions imposed by any statute, including the Companies Act, with regard to declaration of dividend as may be applicable at the time of declaration of dividend. Changes in policies of the Government with respect to dividend may also impact dividend distribution.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Equity Shareholders of the Company may expect dividend only if the Company is having surplus funds after providing all expenses, depreciation, etc. and complying with all other applicable statutory requirements. The decision of dividend payout shall, majorly be based on the factors discussed above considering the balanced interest of the shareholders and the Company.

The shareholders of the Company may not expect dividend under the following circumstances:

- Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- Significantly higher working capital requirements adversely impacting free cash flow;
- Whenever it undertakes any acquisitions of business/ brand/company or joint ventures requiring significant allocation of capital.
- Whenever it proposes to utilise surplus cash for buy-back of securities; or
- In the event of inadequacy of profits or whenever the Company has incurred losses.

DIVIDEND RANGE

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors, the Board will endeavour to maintain a per-share minimum dividend pay-out at the rate of 100% (excluding applicable tax on dividend distribution) of face value of equity shares of the Company, subject to an aggregate maximum pay-out of 25% (including applicable tax on dividend distribution) of distributable profit for the particular year.

The upper limit of dividend will inter alia depend upon available free cash flow generated during the particular financial year.

As mentioned above, for computing the distributable profits for purposes of determining the Dividend, the Board may at its discretion, subject to provisions of the law, exclude any or all of (i) extraordinary charges (ii) exceptional charges (iii) other Comprehensive Income (iv) one off charges on account of change in law or rules or accounting policies or accounting standards (v) provisions or write offs on account of impairment in investments (long term or short term) (vi) non-cash charges pertaining to amortisation or ESoP or resulting from change in accounting policies or accounting standards. Further, the Board may amend the pay-out range, whenever considered appropriate by it, keeping in mind the aforesaid factors having a bearing on the dividend pay-out decision including declaring a Special Dividend under certain circumstances such as extraordinary profits from sale of investments.

UTILIZATION OF RETAINED EARNINGS

The Company always looks forward to deliver maximum to its shareholders by consistently working towards creating a balance between overall Wealth Maximization and Earnings per share. Thus the retained earnings of Company after declaration of dividend (if any), shall be utilized in the manner as considered appropriate by the Board.

PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to the same dividend per share.

REVIEW AND AMENDMENT

This Policy will be reviewed periodically by the Board. Alternatively, the Chairman or the Managing Director of the Company shall be jointly/severally authorised to review and amend the Policy, to give effect to any change/amendment required in terms of any applicable law. Such amended Policy shall be periodically placed before the Board for noting and necessary ratification immediately after such changes.

Annexure 7

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

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

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Century Plyboards (India) Ltd. engages in a variety of initiatives with the goal of empowering communities to make an impact in three focus areas of education and skills, health and wellbeing and environmental sustainability. Centuryply has always been conscious of its social responsibilities and the environment in which it operates. The Company has, over the years, contributed substantially for development in the field of health, education, culture and other welfare measures to improve the general standards of living in and around its works. The CSR policy encompasses the Company's philosophy for giving back to society as a corporate citizen. The Company takes up programmes that benefit the communities over a period of time, in enhancing the quality of life & economic well-being of the local populace. CSR activities in the Company are carried out by the Company directly and also by way of contribution / donation to Organizations, Specialized Agencies, Trusts and institutions as may be permitted under the applicable laws from time to time. The Company recognizes education and health-care as the two main building blocks of any nation and considers the same as priority areas for its CSR activities. The CSR Policy of the Company is available on the Company's website under the weblink: http://www.centuryply.com/investor/codes&policies/csr-policy.pdf
2.	The Composition of the CSR Committee	Sri Sajjan Bhajanka – Chairman Sri Hari Prasad Agarwal – Member Sri Mangi Lal Jain – Member Smt. Mamta Binani – Member
3.	Average net profit of the Company for last three financial years	₹20559.80 lac
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹411.20 lac
5.	Details of CSR spent during the financial year	
	(a) Total amount to be spent for the financial year;	(a) ₹411.20 lac
	(b) Amount unspent, if any;	(b) Nil (Company has spent ₹412.54 lac)
	(c) Manner in which the amount spent during the financial year	(c) As detailed below

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where Projects or programs was undertaken	Amount Outlay (budget) project or program wise	Amount spent on the projects or programs **Sub heads** 1.Direct expenditure on Projects or programs 2. Overheads* (₹ in Lac)	Cumulative expenditure up to the reporting period (₹ in Lac)	Amount spent: Direct or through implementing agency
a	Improving literacy among the rural and tribal people in India to achieve economic development by educating and training them and creating awareness about their rights; Providing non-formal primary education through One Teacher; Running of Libraries and providing reading room facilities to general public.	Education	In various parts of India including the North East, Delhi, Jaipur, Kolkata, Kachchh, Patna, Mumbai, Bangalore and Chennai to name a few.	50-60%	174.94	513.52	Direct and through implementing agencies: Aryasamaj Gandhidham, Bastuhara Sahayata Samity, EK Tara, Friends of Tribals Society, Isha Education, Morning Glory School, Sewing School (Palasbari Paridhan kendra & Manpur), Shree Burrabazar Kumarsabha Pustakalya, Udayan Care, Vidyarthi Vikash
b	Promoting humanitarian principles and values; Disaster response Health and Care in the Community; Running and maintenance of Hospitals, offering medical and surgical services to the ailing, and especially, the underprivileged section of the society; Supporting blood banks, HIV/ AIDS programmes; maternity, child and family welfare, nursing etc.	Preventive Healthcare Protection of life, health and human dignity	In various parts of India including Kolkata, Rajasthan, Delhi, Bhubaneswar, Bengaluru, districts of Uttarakhand and Tamil Nadu to name a few.	30% - 40%	122.45	364.96	Through implementing agencies: Ashadeep Welfare Society, Cankids, Century Charitable Trust, Dr. Bholanath Chalravarty Memorial Trust, Help Us Help Them, Institute of Celebral Palsy, Indian Red Cross Society, Kurpai Unnayani Society, Marwari Relief Society, Nagrik Swasthya Sangh, Purvanchal Kalyan Ashram, Saroj Gupta Cancer Centre & Research Institute, Shree Kalyan Arogya Sadan, Shree Manav Seva Trust, Shree Ram Seva Samity Trust, Shree Vishudhanand Hospital & Reasearch Institute, V S Marwadi Hospital, Vivekananda Yoga Anusandhana Samstha
c	Protection and Preservation of art and architecture of India; Restoration of buildings and sites of historic importance	Protection of National Heritage	In various parts of India specially in Kolkata and Delhi	0-2%	1.00	4.00	Through implementing agency: Indian Heritage Society
d	Protecting Environment; Maintenance of burning ghats; Animal Welfare	Ensuring Environmental Sustainability & Protection of Animals	In various parts of India including Haryana, Rajasthan, Chhattisgarh, Gujarat, Kolkata and Vrindavan to name a few.	5-25%	114.15	214.70	Direct and through implementing agencies: Calcutta Pinjrapole Society, Central Kolkata Prerna Foundation, Friends of Vrindaban, Gaushala Pathmeda, Nimbrak Gauseva Trust, Shanti Van Gopal Gaushala, Vanvasi Kalyan Ashram
	Total				412.54	1097.18	

* Overheads- Nil

6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:	Not Applicable
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company	The CSR Committee of the Company confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Sanjay Agarwal
CEO & Managing Director
Kolkata, 24th July, 2018

Sajjan Bhajanka
Chairman- CSR Committee

CENTURYPLY®

Annexure 8

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L20101WB1982PLC034435
2.	Name of the Company	Century Plyboards (India) Ltd. [CPIL]
3.	Registered Address	6, Lyons Range, 1st Floor, Kolkata- 700 001
4.	Website	www.centuryply.com
5.	E-mail ID	investors@centuryply.com
6.	Financial Year reported	2017-18
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	see table below
8.	Three key products/ services that the Company manufactures/ provides	• Plywood • Laminates • Container Freight Station Services
9.	Total number of locations where business activity is undertaken by the Company.	
	(a) Number of International locations	CPIL through its subsidiaries, has operations in 3 international locations.
	(b) Number of National locations	CPIL has its registered office in Kolkata. It has 7 manufacturing locations in India (including one under its Subsidiary) and 2 Container Freight Stations. There are 30 marketing offices across the country supported by 35 depots/ warehouses (including 9 regional distribution centres).
10.	Markets served by the Company Local/ State/ National/ International	CPIL operates across India and also exports its products to Singapore, Indonesia, Thailand, Mexico, USA, UAE, Israel, Canada, Venezuela and other countries.

Sl.	Product	Industrial Activity Code (NIC Code)
1.	Plywood & Veneer	1621
2.	Laminate	1709
3.	Logistics	5210

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR) (As on 31.03.2018)	₹22,21,72,990/-
2.	Total Turnover (INR) (FY 2017-18)	₹2,002.04 crore
3.	Total profit after taxes (INR) (FY 2017-18)	₹156.64 crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.64 % of profit after tax for FY 2017-18

5.	List of CSR activities in which expenditure has been incurred:-	The major areas as listed under Schedule – VII to the Companies Act, 2013 where CSR expenditure has been incurred: • **Education** Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently-abled and livelihood enhancement projects. • **Healthcare** Eradicating hunger, poverty and malnutrition; promoting health care including preventive health care and sanitation, disaster response, maintenance of hospitals, etc. • **Environmental Sustainability & Animal Welfare** Ensuring environmental sustainability, ecological balance, animal welfare and conservation of natural resources. • **Protection of National Heritage** Protection and preservation of art and architecture of India; restoration of buildings and sites of historic importance.

SECTION C: OTHER DETAILS

1.	Subsidiary Company/ Companies	As on 31st March, 2018, CPIL has nine subsidiaries and three step-down subsidiaries. Out of these, two subsidiaries and three step-down subsidiaries are situated outside India.
2.	Participation of Subsidiary Company/ Companies in the Business Responsibility (BR) initiatives of the Parent Company? If yes, then indicate the number of such subsidiary company(s)	CPIL engages in diverse BR initiatives throughout the year and also encourages its subsidiaries to participate in its BR initiatives. The subsidiaries also define their initiatives based on their specific context whilst following the principles adopted by the Parent Company.
3.	Participation and percentage of participation of other entity/ entities (e.g. suppliers and distributors, among others) that the Company does business with, in the BR initiatives of the Company	CPIL engages with various stakeholders like suppliers, distributors, employees, government and other entities in the value chain. The Company encourages adoption of BR initiatives by its business partners as well. Based on discussions with the suppliers and distributors of the Company, currently less than 30% of its stakeholders participate in the BR initiatives of the Company.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/ Directors responsible for BR
   (a) Details of the Director/ Directors responsible for implementation of the BR policy/ policies
   (b) Details of the BR head

Sl.	Particulars	Details
1	DIN	00246132
2	Name	Sri Sanjay Agarwal
3	Designation	CEO & Managing Director
4	Telephone number	033 39403950
5	E-mail ID	investors@centuryply.com

2.	Principle-wise (as per NVGs) BR Policy/ policies	The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows: Principle 1 : **Ethics, Transparency and Accountability** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability [P1] Principle 2 : **Sustainability of Products & Services across Life-cycle** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle [P2] Principle 3 : **Employees' Well-being** Businesses should promote the wellbeing of all employees [P3] Principle 4 : **Stakeholders' Engagement** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised [P4] Principle 5 : **Human Rights** Businesses should respect and promote human rights [P5] Principle 6 : **Environment** Business should respect, protect, and make efforts to restore the environment [P6] Principle 7 : **Responsible Policy Advocacy** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner [P7] Principle 8 : **Inclusive Growth and Equitable Development** Businesses should support inclusive growth and equitable development [P8] Principle 9 : **Customer Value** Businesses should engage with and provide value to their customers and consumers in a responsible manner [P9]

DETAILS OF COMPLIANCE

Sl.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for.... ?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs. They also conform to the spirit of international standards such as ISO 9001, ISO, ILO, and OSHA.								

4	Has the policy being approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The policies have been approved by the Board at its meeting held on 10th May, 2016 and signed by the CEO & Managing Director.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The CEO & Managing Director through the Functional Heads of the Departments/ Unit Heads of the Company, overseas the implementation of the policy across the organisation.								
6	Indicate the link for the policy to be viewed online?	*http://www.centuryply.com/investor/codes&policies/business-responsibility-policy.pdf*								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been communicated to all the internal and external stakeholders. The same is also made available both on the Company's website as well as intranet.								
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The BR policy is evaluated internally.								

3.	**Governance related to Business Responsibility**	
	Frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the Company's BR performance.	The overall BR performance of the Company is reviewed by the BR Head annually while the varied aspects of BR performance of each department/unit are assessed by the respective department/ unit heads on a regular basis.
	Publishing of Business Responsibility or a Sustainability Report, its frequency and hyperlink.	The Company publishes its BR Report on an annual basis as a part of its Annual Report. The Report can also be accessed on the Company's website at *http://www.centuryply.com/investor/investor-information/business-responsibility-report-2017.pdf.*

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

A company's governance practices have a direct bearing on its sustainable growth. Ethics and transparency are fundamental pillars which underline our business activities. As a responsible and leading organization, the Company does its business with utmost integrity and adheres to best governance practices. The Company has always traversed the ethical growth path guided by a principled leadership team, robust governance mechanisms and transparent accounting platforms. This has helped us to boost shareholder trust, gain competitive advantage as well as remain responsible towards all our stakeholders. The Company's Code of Conduct for Directors and Senior Management Executives serves as a guiding tool and ensures that principles get translated into consistent practice, thereby leading the Company towards high standards of business conduct. A Whistle Blower Policy/ Vigil Mechanism is also in place which provides a channel to the employees and Directors to report to the management, promptly and directly, concerns about unethical behaviour, actual or suspected fraud or any irregularity in the Company practices or violation of its codes and policies.

Information with reference to BRR framework:

<table>
<tr><td>1.</td><td>Coverage of the policy relating to ethics, bribery and corruption over the Company and its Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others</td><td colspan="4">The policy serves as a roadmap to all employees of the Company and subsidiaries across all levels and grades. Our Organisation has requisite measures in place to address any concerns pertaining to ethics, bribery, and corruption. These are also communicated to our key associates like vendors, suppliers and contractors and they to practice them in conduct of their businesses.</td></tr>
<tr><td rowspan="5">2.</td><td rowspan="5">Stakeholder complaints received in the past financial year and percentage of complaints satisfactorily resolved by the management.</td><td>Stakeholder Complaints</td><td>Received</td><td>Resolved</td><td>Complaints Resolved (%)</td></tr>
<tr><td>Consumer Complaints</td><td>1873</td><td>1838</td><td>98.13%</td></tr>
<tr><td>Investor Complaints</td><td>8</td><td>8</td><td>100%</td></tr>
<tr><td>Vendor Complaints</td><td>Nil</td><td>–</td><td>–</td></tr>
<tr><td colspan="4">The Company has a structured mechanism in place for all its stakeholders to freely share their concerns and grievances with the Company.</td></tr>
</table>

PRINCIPLE 2: SUSTAINABILITY OF PRODUCTS & SERVICES ACROSS LIFE-CYCLE

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Wood is a major source of raw material for the plywood industry. Availability of wood remains a critical challenge and is a serious sustainability concern, especially in a country with limited natural resources and acute income inequities. Raw material linkage plays vital role in plywood industry, as timber logs procurement depends on available expanses of global forests. Environmental policies of local governments influence quantity of tree logs that can be used for industrial purpose. Over the years, the Company has managed to cater to raw material scarcity well in time and in a sustainable manner.

The Company is committed to conduct its business in an environmentally responsible manner. This policy is rooted in the Company's core values of quality, reliability and trust guided by the best practices and is driven by our aspiration for excellence in the overall performance of our business. Our approach is to add value in such a manner that not only are our products affordable and accessible, but our practices are also sustainable and equitable. The Company has been the pioneer in Boiling Water Resistant (BWR) Decorative Veneer, Powder-proof PF Plywood and the revolutionary Non-leachable Fire Safe Plywood, providing maximum value and satisfaction to our customers.

The Company also strives to raise consumers' awareness through proper product labelling and marketing communications. The Company endeavours to embed the principles of sustainability, as far as practicable, into the various stages of product or service life-cycle. The environmental custodianship and Corporate Citizenship are an integral part of the Company's goal to achieve ecological development along with people development. The Company recognises the responsibility to assess and minimize the ecological impact of our business activities and protecting the ecosystem.

Information with reference to BRR framework:

1.	Three products/ services whose design has incorporated social or environmental concerns, risks and/or opportunities.	(a) Zykron (b) Starke (c) MDF & Particle Board
2.	Details in respect of resource use (energy, water, raw material etc.) a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain b) Reduction during usage by consumers (energy, water) has been achieved since the previous year	Emphasis is laid by the Company on researching, developing and producing new technologies. It closely works with its suppliers and vendors to reduce any hazardous environmental impacts in the sourcing stage. Various initiatives have been undertaken by the Company for optimal utilisation of resources/ energy: (a) The new age product Zykron is a Fibre cement composite board wherein cellulose fibre is reinforced with cement thereby reducing the usage of wood-based raw-materials (b) Starke PVC board is made out of PVC and Calcium carbonate along with other performance enhancing additives, provides a promising and quality alternate to pure wood based product. (c) MDF Board uses residuals of hardwood and softwood as its primary raw material while Particle Board uses wood chips, sawmill shavings, or even sawdust as its raw material, thereby reducing usage of wooden on logs. (d) Installation of Energy meters at all locations for optimum power utilisation (e) Installation of variable frequency drives to operate ID fan at reduced speed to avoid heat loss and save power. (f) Installation of sky light sheet which enables switching- off of the lighting system during day time. (g) Adoption of improved technology for producing anti-bacterial and anti-fungal laminates and plywood. (h) Installation of solar roof-top panels on factory sheds for generation of power thereby substantially reducing dependence on fossil fuels and emission of carbon dioxide.
3.	Procedures in place for sustainable sourcing (including transportation) and percentage of your inputs sourced sustainably	The Company focusses on integrating sustainability in the procurement process for its products. An effective inter-department communication mechanism embedded in the SAP system enables the purchases department to act according to production and sales forecasts for the forthcoming periods to ensure optimum raw material procurement. The Company uses substantial quantity of plantation timber and agro-forestry materials, both of which are sustainable sources of raw materials. The Company has also started procuring face veneer instead of raw timber logs from Myanmar and Laos through its overseas Subsidiaries, thereby ensuring raw material sustainability, optimising transportation and reducing related environmental impacts. As on date, the Company is sourcing approximately 15% of its timber logs and veneer from other Countries. It is now looking for other alternative species of plywood like Beech from Europe, MLH (Mixed Light Hardwood) from Solomon Islands and Papua (New Guinea). By providing subsidised saplings unconditionally, the Company is encouraging farmers around its manufacturing locations to plant eucalyptus and other trees around their field. This, in future, may turn out to be a huge source of sustainable supply of raw material the Company besides adding to the green cover. Higher tonnage trucks/ containers are deployed for transportation to save on fossil fuel.

4.	Steps taken to procure goods and services from local & small producers, including communities surrounding the place of work and initiatives taken to improve their capacity and capability	The Company has embedded sustainability throughout its procurement supply chain. We procure much of our machinery, spare-parts, consumables and packing materials from medium and small scale manufacturers/ suppliers, preferably located close to our manufacturing units wherever possible. The Company also sources its supplies from various self-help groups. Awareness sessions are conducted for its suppliers on social and environmental issues. Suppliers are provided with managerial and technical assistance to train them on practices and procedures that will ensure improvement in productivity, quality, cost-reduction, delivery and safety.
5.	Mechanism and percentage of recycling of products and waste	Conversion of logs into veneer and thereafter to plywood is accompanied by incidental waste in some form or the other. The Company uses most of its wood based wastes as raw material for particle board. Through process technology and operational control measures, the Company endeavours to minimise the generation of product or process waste. Advanced technology is being used to join waste wood veneers together to make it usable as raw material, thereby minimising wastage. The waste-water generated is treated and used for greenbelt development, thereby ensuring zero effluent discharge. It is the Company's ongoing endeavour to have a mechanism to recycle our products and limit the waste arising out of production. Our objective is to reduce the waste and to minimize the need of raw materials to produce a brand new product. Presently more than 10% of the product wastes are either recycled or put to secondary use.

PRINCIPLE 3: EMPLOYEES' WELL-BEING

Businesses should promote the well-being of all employees

The Company gives paramount importance to the well-being of its employees since it believes that employee well-being is indispensable in the achievement of a profitable growth for the Company. It takes adequate measure to ensure the health and safety of its employees. The Company has migrated from an era of industrial relations to employee relations. The Company believes that the power of its people is propelling its progressive growth. Their knowledge, experience and passion to perform are fundamental to building the organisation further. Hence, the Company provides its employees with opportunities that encourage them to excel and ensures a conducive work environment that promotes well-being.

Our workforce is a fine blend of talent from different age groups, genders, castes, domains, religions, cultural backgrounds etc. We nurture talent by providing them the right mix of challenges and opportunities, learning platforms and leading positions, safe workplace and egalitarian work culture along with professional growth and personal development. Diversity and merit are the two enablers of ensuring equality of opportunity for our workforce, at the time of recruitment and during the course of employment. Bias, discrimination and harassment have no room at our workplace.

Recognition and recreation are crucial to motivate the employees to perform to the best of their potential. We have specific modules to reward talent. Some of these means and modules of employee recognition and recreation include:

1. Special celebration to accord due recognition to the retiring employee
2. Long-service award to recognize the loyalty and commitment of employees
3. Family picnics to foster warm and friendly relations.
4. Birthday celebrations.
5. Talent hunt initiatives in the form of 'Centurion Idol'
6. Performance recognition through initiatives like 'Sarvada Sarvottam Ambassadors', 'Champions' and 'Star Performers'.

Information with reference to BRR framework:

1.	Total number of employees	7116
2.	Total number of employees hired on temporary/ contractual/ casual basis.	3579

<table>
<tr><td>3.</td><td>Number of permanent women employees.</td><td colspan="3">375</td></tr>
<tr><td>4.</td><td>Number of permanent employees with disabilities</td><td colspan="3">6</td></tr>
<tr><td>5.</td><td>Employee associations recognised by the management.</td><td colspan="3">The Company respects the rights of employees to free association and union representation. The Company has various employee unions and associations at various sites, which encourage the employees to participate freely in constructive dialogue with the management.</td></tr>
<tr><td>6.</td><td>Percentage of permanent employees who are members of recognised employee association.</td><td colspan="3">33%</td></tr>
<tr><td rowspan="5">7.</td><td rowspan="5">Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.</td><td>Category</td><td>No. of complaints filed during the financial year</td><td>No. of complaints pending as on end of the financial year</td></tr>
<tr><td>Child labour/ forced labour/ involuntary labour</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Sexual harassment</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Discriminatory employment</td><td>Nil</td><td>Nil</td></tr>
<tr><td colspan="3">The Company has also constituted an Internal Complaints Committee where employees can register their complaints against sexual harassment.</td></tr>
<tr><td rowspan="4">8.</td><td rowspan="4">Percentage of under mentioned employees who were given safety & skill up-gradation training in the last year?</td><td colspan="2">Permanent Employees</td><td>14%</td></tr>
<tr><td colspan="2">Permanent Women Employees</td><td>8%</td></tr>
<tr><td colspan="2">Casual/ Temporary/ Contractual Employees</td><td>4%</td></tr>
<tr><td colspan="2">Employees with disabilities</td><td>17%</td></tr>
</table>

PRINCIPLE 4: STAKEHOLDERS' ENGAGEMENT

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

Your Company believes that the performance of business enterprises must be measured in terms of the value they create for society. Company's stakeholders include shareholders and investors, employees, suppliers, dealers, stockists, retailers, customers, government and regulatory authorities, trade unions, media and local communities around its sites of operations. The Company values the support of its stakeholders and respects the interests and concerns they have towards it. The Company endeavours to identify, prioritise and address the needs and concerns of its stakeholders across businesses and units in a continuous, consistent and systematic manner through effective dialogues, identification of material concerns and their resolution in an equitable and transparent manner.

Information with reference to BRR framework:

<table>
<tr><td>1.</td><td>Mapping of internal and external stakeholders</td><td>The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanisms to engage with various stakeholders to understand their concerns and expectations. CPIL has always acknowledged the vital contribution of all in building a sustainable business and has accorded importance to their voices and concerns.

The main categories and their mode of engagements are:
<table>
<tr><td>Investors and shareholders</td><td>General meetings, annual report and Investor meets</td></tr>
<tr><td>Employees</td><td>Meetings, newsletters, intranet portal, employee satisfaction survey and trainings</td></tr>
<tr><td>Suppliers and dealers</td><td>Site visits and personal/ telephonic interactions</td></tr>
<tr><td>Retailers and Customers</td><td>Customer meets, customer satisfaction survey and web-based interactive portals</td></tr>
<tr><td>Government and regulatory authorities</td><td>Industry bodies/ forums</td></tr>
<tr><td>Trade unions</td><td>Union meetings</td></tr>
<tr><td>Media</td><td>Press releases, media events and announcements.</td></tr>
<tr><td>Local communities</td><td>Personal visits</td></tr>
</table></td></tr>
<tr><td>2.</td><td>Identification of disadvantaged, vulnerable and marginalised Stakeholders</td><td>CPIL identifies disadvantaged, vulnerable and marginalized communities around its manufacturing facilities and continuously works towards their betterment by identifying their needs and expectations. It also identifies disadvantaged, vulnerable and marginalized stakeholders and continuously works towards their betterment.</td></tr>
<tr><td>3.</td><td>Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.</td><td>CPIL makes conscious efforts for the communities residing in proximity of its manufacturing units so as to enable them improve their standard of living. Development and deployment of need-based community programmes in the areas of health, education, skill development, sanitation, livelihood etc. constitute a prominent part of Corporate Social Responsibility (CSR) initiatives undertaken by the Company. The Company's vocational training centre imparts carpentry training to local youth, thereby making them self-dependent.

Direct engagement with small and marginal suppliers provides an avenue for sustainable livelihood generation and capacity building. MSME vendors are given preference wherever possible, for local procurements.

CPIL's policies are designed to protect employees against any kind of discrimination based on caste, religion, geography, educational or social background, gender etc. Regular training at factory helps in the betterment and upliftment of workers.

The Company constantly targets fake products and packaging manufacturers and label printers through raids in collaboration with local authorities and network of business associates as counterfeit products in the market pose a risk to customers as well.</td></tr>
</table>

PRINCIPLE 5 : HUMAN RIGHTS

Businesses should respect and promote human rights

The Company is an ardent believer in human rights which is evident from the organisation's culture which depicts integrity and respect for human rights. The Company is committed to respect and protect the human rights of all individuals and it strives to serve all individuals with honesty, just management and fairness. The Company understands that human rights are inherent, universal, indivisible and inter-dependent in nature. The Company upholds the fundamental human rights in line with the legitimate role of business.

Information with reference to BRR framework:

1.	Coverage of the Company's policy on human rights and its extension to the Group/ Joint Ventures/ Suppliers/ NGOs/Others	CPIL respects human rights and its code of conduct demonstrates its commitment towards the preservation of human rights across the value chain. The Company believes that a sustainable. organisation rests on ethics and respect for human rights. CPIL's policy on human rights sets the Company's expectations of its Business Channel Partners, Investors and Contractors to adhere to principles of human rights. The Company, within its domain of influence, takes initiatives to promote awareness of human rights across their value chain. The Company encourages its Business Partners to follow the policy and discourages dealings with those who violate human rights.
2.	Stakeholder complaints received in the past financial year and percentage of complaints resolved satisfactorily by the management	No complaint was received pertaining to human rights violation during the reporting financial year.

PRINCIPLE 6 : ENVIRONMENT

Business should respect, protect, and make efforts to restore the environment

The Company is committed to conduct its business in an environmentally responsible manner. This commitment is consistent with the corporate objectives of the Company and is essential to sustainable development. It constantly endeavours to embed environmental sustainability right at the design and development stage. Despite using wooden logs as its primary raw material, the Company constantly endeavours to reduce over-consumption of resources and its related environmental impact. Optimal use of resources, reusing and recycling of waste has been embedded in its processes. Efforts to improve performances have resulted in considerable reduction in the use of energy and natural resources. There are several innovative technologies which have been implemented to reduce the energy consumption

Information with reference to BRR framework:

1.	Coverage of the policy related to Principle 6 and its extension to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others	The Company has spread the principles of environmental sustainability across its value chain. These guidelines are communicated to our key associates like vendors, suppliers and contractors and they are encouraged to apply them in conduct of their businesses. We aim to propagate the principles of sustainability throughout our value chain and to all stakeholders.
2.	Company's strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.	CPIL has adopted sustainable practices and responsible use of natural resources in order to minimise the environmental impact of its operations. New technologies, implementing process improvements and innovations have been our core areas of investment. The Company is working to control/reduce formaldehyde emission from plywood and HPL by improved glue formulation. The Company has also developed new resin manufacturing technology to avoid vacuum distillation at final stage to avoid liquid effluent discharge. Treated water is being used for filling of ponds for storing logs, gardening, toilet flushing, fire water storage, road cleaning, etc. The Company takes the green initiative sincerely and in order to implement the same, it has been actively engaging in tree plantation activities in and around its manufacturing units and also at other places. The Company also encourages its Business Partners to join its drive in expanding green cover.

3.	Identification and assessment of potential environmental risks	Identification and assessment of potential environmental risks is an ongoing process at CPIL. Sound environmental management systems are practiced across our manufacturing units. Systems are in place to ensure continuous monitoring of potential environmental risks involved in its operations. For new and upcoming projects, potential environmental risks are identified while preparing Environment Impact Assessment (EIA) and Risk Assessment reports. Accordingly, identified potential environmental risks are addressed at the design stage and also mitigated through incorporation of robust environmental management plan. Environmental audits are carried out regularly which help in identifying potential risks and necessary corrective actions are taken to mitigate the same.
4.	Company's initiatives/ projects related to Clean Development Mechanism and environmental compliance report filed	The Company has not applied for any projects under the Clean Development Mechanism. However, we strive for continual improvement in our products, services and processes, and in the value we provide to our customers, employees and the communities we serve. We embrace sustainability as a catalyst for business growth and innovation.
5.	Company's initiatives on clean technology, energy efficiency, renewable energy, etc.	The Company dedicatedly endeavours to reduce environmental impacts on our natural resources through implementation of best technology, reduction in use of energy, water conservation, minimization of air emissions, rainwater harvesting and solid waste recycling. Some of the steps taken in this directions are- • Energy meters installed at all location to monitor/ control for power optimum utilisation. • Installation of wet scrubbers for air pollution control installed in lamination plant. • Installation of electrical parameters for monitoring of different sections for power control. • Installation of energy efficient equipment, lighting fixtures and also using translucent roofing sheets to use solar light during day time. • Shift towards installation of LED lighting by phasing out conventional Tube Lights/Sodium/Mercury Halogen lights • Increased use of turbo vents for better air circulation without electrical energy • Roof-top solar photo voltaic projects are being installed, at all its manufacturing units for generation of power thereby substantially reducing dependence on fossil fuels and emission of carbon dioxide. • Screening and utilization of various bio materials obtainable from natural renewable sources is regularly being experimented to achieve reduction in the use of petroleum based chemicals, thereby reducing generation of industrial wastes and pollution.
6.	Reporting on the emissions/ waste generated by the Company as per the permissible limits given by CPCB/ SPCB	The Company has been successful in meeting the applicable environmental standards through use of efficient control equipment and robust procedures. The emissions/ waste generated by CPIL is not only within but in many cases, significantly lower than the permissible limits given by the State or Central Pollution Control Boards. The environmental monitoring reports are regularly submitted to CPCB/ SPCB by the Company.

7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	There are no pending or unresolved show cause/ legal notices from CPCB/ SPCB as on 31st March, 2018.

PRINCIPLE 7 : RESPONSIBLE POLICY ADVOCACY

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

CPIL engages with industry bodies and associations to influence public and regulatory policy in a responsible manner. The Company has always strived to create a positive impact in the business eco-system and communities by practicing pro-active advocacy not for securing certain benefits for industry, but for advocating certain best practices for the benefit of society at large. The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and the need to balance interests of diverse stakeholders.

Information with reference to BRR framework:

1.	Membership in any trade and chamber or association	CPIL has its representation in several business and industrial associations such as- (a) MCC Chamber of Commerce and Industry (b) Bharat Chamber of Commerce (c) Indian Chamber of Commerce (d) Federation of Indian Chambers of Commerce and Industry (e) Indian Plywood Industries Research & Training Institute
2.	Advocating/ lobbying through above associations for the advancement or improvement of public good	CPIL through various industry associations participates in advocating matters for advancement of the industry and public good. We actively participate in these forums on issues and policy matters that impact the interest of our stakeholders. We prefer to be part of the broader policy development process and do not practice lobbying on any specific issue, though, at times we had advocated on Economic Reforms and Sustainable Business Principles through them.

PRINCIPLE 8 : INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Businesses should support inclusive growth and equitable development

Inclusive business for the Company means creating economic well-being through employment, skill improvement and access to markets for the community we operate in. The Company believes in creating opportunities for the people around its operations to enable a sustainable future and ensure inclusive growth. Its community development activities focus on areas that foster development and well-being of communities. CPIL's CSR initiatives are aligned to aspects, such as healthcare, education and environmental sustainability.

Information with reference to BRR framework:

1.	Specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8	CPIL's core business as well as its corporate social responsibility initiatives supports the principles of inclusive growth and equitable development. The Company believes in being an equal opportunity employer. Policies have even been framed for promoting an inclusive workplace, where the potential of our women employees is leveraged and every woman feels valued, heard and fully involved with the Company. We also work towards targeting fake and counterfeit products available in the market as these pose a serious risk to our customer's well-being as well. The Company's inclusive growth initiatives are focused towards achieving the following objectives: 1. Ensuring the well-being of local communities 2.Building self-employment capabilities by imparting carpentry training 3. Empowering women 4. Creating access to healthcare 5. Conserving the environment 6. Promoting education
2.	Modes through which programmes/ projects undertaken (through in-house team/ own foundation/ external NGO/ government structures/ any other organization)	Programmes pertaining to Principle 8 are carried out by the Company directly and/or through its own Company-promoted Charitable Trusts, other NGOS and non-profit organizations.
3.	Impact assessments for initiatives undertaken	The Company internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the program in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.
4.	Company's direct contribution to community development projects and the details of the projects undertaken.	CPIL's contribution towards community development projects carried under its CSR policy during the reporting period (2017-18) is ₹4.13 crore. Details of the same have been provided in 'Annexure-7' of the Directors' Report.
5.	Steps taken to ensure that community development initiatives are successfully adopted by the community.	CPIL follows a participatory approach in the areas of intervention and encourages participation from communities for planning and implementation purposes. Surveys and focused meetings have been conducted by our businesses and manufacturing units continuously to engage with communities surrounding their operations in order to assess the needs, priorities and expectations of the local community. Initiatives are thus designed and delivered in a transparent manner in line with inputs from the community itself. CPIL continued with its programme "Pragati Yojna -Century Ply Carpentry School" in the current year as well, whereby the local youth are provided free of cost training in carpentry. The objective of the project is to provide skill development training to youth from economically weaker sections of the society and help to make them more employable.

PRINCIPLE 9 : CUSTOMER VALUE

Businesses should engage with and provide value to their customers and consumers in a responsible manner

The Company is committed to continuously exceed customer expectations. Customer satisfaction is the key to our growth and success in this line of business. The Company strives hard to provide better services and greatest value to its customers. Our customers have been our strong pillar of support and over the years of our existence have become our true brand ambassadors. This foundation is supported by our continuous efforts to provide the best quality product, accompanied by the best marketing and technical support.

Information with reference to BRR framework:

1.	Percentage of customer complaints/ consumer cases pending as on the end of financial year	1873 customer complaints were received, of which 1838 were successfully resolved. Only 35 complaints constituting 1.87% remained pending as on the end of the financial year. Subsequently, most of these complaints have also been resolved. Further, only 5 cases filed by customers/ consumers in various Consumer Courts/ Redressal Forum were pending as on the 31st March, 2018.
2.	Display of product information on the product label, over and above what is mandated as per local laws	CPIL adheres to all legal statutes with respect to product labelling and display of product information. The Company also displays all the requisite information and safety guidance which are specific to its products.
3.	Case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on the end of financial year.	The Company does not have any stakeholder complaints with regard to unethical or unfair trade practices, irresponsible advertising and/or anti-competitive behaviour, which are pending as at 31st March, 2018.
4.	Consumer survey/ consumer satisfaction trends carried out by the Company	Consumer satisfaction is imperative for the success of business. The Company connects with consumer through multiple touch points. Feedback of the end-consumers is also obtained through the numerous dealers and architects empanelled with the Company to understand the product quality feedback. The Company's CFS Division also carries out shipping lines' survey. The Company also has a systematic process for resolution of all complaints and this helps in improving consumer delight.

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)
Chairman & Managing Director

Kolkata, 24th July, 2018

Annexure 9

FORM MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L20101WB1982PLC034435
2.	Registration Date	05-01-1982
3.	Name of the Company	Century Plyboards (India) Ltd.
4.	Category/ Sub-Category of the Company	Public Company limited by shares
5.	Address of the Registered office and contact details	6, Lyons Range, 1st Floor, Kolkata- 700 001 Ph: 033 3940 3950, Email ID: investors@centuryply.com
6.	Whether listed company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd., 23, R. N. Mukherjee Road, 5th Floor, Kolkata 700 001 Ph: 033-22435029 Email ID: mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business activities contributing 10 % or more of the total turnover of the Company are stated:-

Sl.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Plywood & Veneer	1621	64.83
2.	Laminate	1709	18.99

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	Auro Sundram Ply & Door Pvt. Ltd.	Raipur Industrial Area, Gagalheri Road, Bhagwanpur, Roorkee, Uttarakhand- 247661	U20211UR2005PTC032621	Subsidiary	51	2(87)(ii)
2	Century MDF Ltd.	6, Lyons Range, Kolkata- 700001	U20296WB2012PLC181050	Subsidiary	100	2(87)(ii)
3	Ara Suppliers Pvt. Ltd.	6, Lyons Range, Kolkata- 700001	U51109WB2006PTC110351	Subsidiary	80	2(87)(ii)
4	Arham Sales Pvt. Ltd.	6, Lyons Range, Kolkata- 700001	U51909WB2006PTC111570	Subsidiary	80	2(87)(ii)
5	Adonis Vyaper Pvt. Ltd.	6, Lyons Range, Kolkata- 700001	U52190WB2006PTC111573	Subsidiary	80	2(87)(ii)
6	Apnapan Viniyog Pvt. Ltd.	6, Lyons Range, Kolkata- 700001	U52190WB2006PTC111571	Subsidiary	80	2(87)(ii)
7	Century Infotech Ltd.	6, Lyons Range, Kolkata- 700001	U72900WB1997PLC086118	Subsidiary	60.06	2(87)(ii)
8	Centuryply Myanmar Pvt. Ltd.	No.24-27 Min Theidki Kyaw Swar Road, East Dagon Industrial Zone, Yangon, Myanmar	Foreign Company	Subsidiary	100	2(87)(ii)
9	Century Ply (Singapore) Pte Ltd.	10 Anson Road #27-02 International Plaza Singapore 079903	Foreign Company	Subsidiary	97.26	2(87)(ii)
10	PT Century Ply Indonesia	Wisma Mobil Lantai 3, Jl. Raden Saleh Raya No. 53, Kelurahan Cikini, Kecamatan Menteng, Jakarta, Pusat 10330, Indonesia	Foreign Company	Step down Subsidiary	95	2(87)(ii)
11	Century Ply Laos Co. Ltd.	House No.225 Sysavangvong Rd, Unit 22, Saiyamongkoun Village, Kaisonphomevihan district Savannakhet Province, Lao PDR	Foreign Company	Step down Subsidiary	90	2(87)(ii)
12	Century Huesoulin Plywood Lao Co., Ltd	Ban Xayamounkhoun Kaisone Phomvihane District Savannakhet Province, Lao PDR	Foreign Company	Step down Subsidiary	51	2(87)(ii)

CENTURYPLY®

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	120627598	-	120627598	54.30	120624387	-	120624387	54.30	Negligible
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	39329080	-	39329080	17.70	39329080	-	39329080	17.70	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):	**159956678**	-	**159956678**	**72.00**	**159953467**	-	**159953467**	**72.00**	**Negligible**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**159956678**	-	**159956678**	**72.00**	**159953467**	-	**159953467**	**72.00**	**Negligible**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	8873494	-	8873494	3.99	10244346	-	10244346	4.61	0.62
b) Banks/ FI	30487	-	30487	0.01	86063	-	86063	0.04	0.03
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	2898270	-	2898270	1.31	77635	-	77635	0.03	(1.27)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a) Alternate investment funds	-	-	-	-	517990	-	517990	0.23	0.23
b) Foreign Portfolio Investors	25534679	-	25534679	11.49	24749768	-	24749768	11.14	(0.35)
Sub-total (B)(1):	**37336930**	**-**	**37336930**	**16.80**	**35675802**	**-**	**35675802**	**16.05**	**(0.75)**
2. Non-institutions									
a) Bodies Corporate									
i) Indian	9143612	12000	9155612	4.12	7825207	12000	7837207	3.53	(0.59)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lac	12708201	657960	13366161	6.02	15242550	566637	15809187	7.12	1.10
ii) Individual shareholders holding nominal share capital in excess of ₹1 lac	1022728	-	1022728	0.46	1082536	-	1082536	0.49	(0.03)
c) Others (specify)		-				-			
(i) Trusts	15315	-	15315	0.01	600589	-	600589	0.27	0.26
(ii) Clearing Member	709978	-	709978	0.32	236518	-	236518	0.11	(0.21)
(iii) Non Resident Individual	581405	-	581405	0.26	905964	-	905964	0.40	0.15
(iv) NBFCs registered with RBI	25705	-	25705	0.01	7374	-	7374	Negligible	(0.01)
(v) Foreign National	2478	-	2478	Negligible	2896	-	2896	Negligible	Negligible
(vi) Investor Education and Protection Fund Authority	-	-	-	-	61450	-	61450	0.03	0.03
Subtotal (B)(2):-	**24209422**	**669960**	**24879382**	**11.20**	**25965084**	**578637**	**26543721**	**11.95**	**0.75**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**61546352**	**669960**	**62216312**	**28.00**	**61640886**	**578637**	**62219523**	**28.00**	**Negligible**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**221503030**	**669960**	**222172990**	**100**	**221594353**	**578637**	**222172990**	**100**	**-**

ii) Shareholding of Promoters

Sl.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Sajjan Bhajanka (Promoter)	25232954	11.36	-	25032954	11.27	-	(0.09)
2	Santosh Bhajanka	15649500	7.04	-	15449500	6.95	-	(0.09)
3	Keshav Bhajanka	100000	0.05	-	500000	0.23	-	0.18
4	Sonu Kajaria	611000	0.28	-	611000	0.28	-	-
5	Payal Agrawal	600000	0.27	-	600000	0.27	-	-
6	Shraddha Agarwal	600000	0.27	-	600000	0.27	-	-
7	Sri Ram Vanijya Pvt. Ltd.	8502180	3.83	-	8502180	3.83	-	-
8	Sri Ram Merchants Pvt. Ltd.	6739870	3.03	-	6739870	3.03	-	-
9	Sanjay Agarwal (Promoter)	24200124	10.89	-	24150124	10.87	-	(0.02)
10	Divya Agarwal	16749750	7.54	-	16749750	7.54	-	-
11	Nikita Bansal	-	-	-	50000	0.02	-	0.02
12	Sumangal International Pvt. Ltd.	7666800	3.45	-	7666800	3.45	-	-
13	Sumangal Business Pvt. Ltd.	6831240	3.07	-	6831240	3.07	-	-
14	Auroville Investments Pvt. Ltd.	1845000	0.83	-	1845000	0.83	-	-
15	Hari Prasad Agarwal (Promoter)	2435760	1.10	-	2435760	1.10	-	-
16	Hari Prasad Agarwal (HUF)	1602990	0.72	-	1602990	0.72	-	-
17	Sumitra Devi Agarwal	1676250	0.75	-	1676250	0.75	-	-
18	Rajesh Kumar Agarwal	1602308	0.72	-	1602308	0.72	-	-
19	Bhawna Agarwal	3087690	1.39	-	3087690	1.39	-	-
20	Brijdham Merchants Pvt. Ltd	7743990	3.49	-	7743990	3.49	-	-
21	Vishnu Khemani (Promoter)	12607857	5.67	-	12609646	5.68	-	0.01
22	Sudha Khemani	5985286	2.69	-	5985286	2.69	-	-
23	Prem Kumar Bhajanka (Promoter)	4636997	2.09	1.35	4636997	2.09	-	-
24	Yash Bhajanka	3149132	1.42	-	3149132	1.42	-	-
25	Nancy Choudhary	100000	0.05	-	95000	0.04	-	(0.01)
	Total	**159956678**	**72.00**		**159953467**	**72.00**	**-**	

iii) Change in Promoters' Shareholding

Sl.	Shareholder's Name		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase/ decrease
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
	At the beginning of the year		159956678	72.00			
	Date wise Increase/ Decrease in Promoters shareholding during the year						
	Date	Name					
	19.04.2017	Sanjay Agarwal	(50000)	(0.02)	159906678	71.98	Inter se Transfer
	19.04.2017	Nikita Bansal	50000	0.02	159956678	72.00	Inter se Transfer
	17.07.2017	Sajjan Bhajanka	(200000)	(0.09)	159756678	71.91	Inter se Transfer
	17.07.2017	Santosh Bhajanka	(200000)	(0.09)	159556678	71.82	Inter se Transfer
	17.07.2017	Keshav Bhajanka	400000	0.18	159956678	72.00	Inter se Transfer
	06.03.2018	Vishnu Khemani	1789	Negligible	159958467	72.00	Purchase
	22.03.2018	Nancy Choudhary	(5000)	Negligible	159953467	72.00	Sale
	At the end of the year				159953467	72.00	

Change in Promoters' Shareholding (Promoter-wise)

Sl.	Promoter		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase/ decrease
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1.	**Sajjan Bhajanka- (Promoter)**						
	At the beginning of the year		25232954	11.36			
	Date wise Increase/ Decrease in Shareholding during the year	17.07.2017	(200000)	(0.09)	25032954	11.27	Inter se Transfer
	At the end of the year				25032954	11.27	
2.	**Santosh Bhajanka- (Promoter Group)**						
	At the beginning of the year		15649500	7.04			
	Date wise Increase/ Decrease in Shareholding during the year	17.07.2017	(200000)	(0.09)	15449500	6.95	Inter se Transfer
	At the end of the year				15449500	6.95	
3.	**Keshav Bhajanka - (Promoter Group)**						
	At the beginning of the year		100000	0.05			
	Date wise Increase/ Decrease in Shareholding during the year	17.07.2017	400000	0.18	500000	0.23	Inter se Transfer
	At the end of the year				500000	0.23	
4.	**Sonu Kajaria - (Promoter Group)**						
	At the beginning of the year		611000	0.28			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	611000	0.28	
	At the end of the year				611000	0.28	
5.	**Payal Agrawal - (Promoter Group)**						
	At the beginning of the year		600000	0.27			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	600000	0.27	
	At the end of the year				600000	0.27	

Sl.	Promoter		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase/ decrease
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
6.	Shraddha Agarwal - (Promoter Group)						
	At the beginning of the year		600000	0.27			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	600000	0.27	
	At the end of the year				600000	0.27	
7.	Sri Ram Vanijya Pvt. Ltd.- (Promoter Group)						
	At the beginning of the year		8502180	3.83			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	8502180	3.83	
	At the end of the year				8502180	3.83	
8.	Sri Ram Merchants Pvt. Ltd.- (Promoter Group)						
	At the beginning of the year		6739870	3.03			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	6739870	3.03	
	At the end of the year				6739870	3.03	
9.	Sanjay Agarwal - (Promoter)						
	At the beginning of the year		24200124	10.89			
	Date wise Increase/ Decrease in Shareholding during the year	19.04.2017	(50000)	(0.02)	24150124	10.87	Inter se Transfer
	At the end of the year				24150124	10.87	
10.	Divya Agarwal - (Promoter Group)						
	At the beginning of the year		16749750	7.54			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	16749750	7.54	
	At the end of the year				16749750	7.54	
11.	Nikita Bansal - (Promoter Group)						
	At the beginning of the year		Nil	Nil			
	Date wise Increase/ Decrease in Shareholding during the year	19.04.2017	50000	0.02	50000	0.02	Inter se Transfer
	At the end of the year				50000	0.02	
12.	Sumangal International Pvt. Ltd.- (Promoter Group)						
	At the beginning of the year		7666800	3.45			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	7666800	3.45	
	At the end of the year				7666800	3.45	
13.	Sumangal Business Pvt. Ltd.- (Promoter Group)						
	At the beginning of the year		6831240	3.07			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	6831240	3.07	
	At the end of the year				6831240	3.07	
14.	Auroville Investments Pvt. Ltd.- (Promoter Group)						
	At the beginning of the year		1845000	0.83			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	1845000	0.83	
	At the end of the year				1845000	0.83	
15.	Hari Prasad Agarwal - (Promoter)						
	At the beginning of the year		2435760	1.10			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	2435760	1.10	
	At the end of the year				2435760	1.10	

Sl.	Promoter		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase/ decrease
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
16.	Hari Prasad Agarwal (HUF) - (Promoter Group)						
	At the beginning of the year		1602990	0.72			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	1602990	0.72	
	At the end of the year				1602990	0.72	
17.	Sumitra Devi Agarwal - (Promoter Group)						
	At the beginning of the year		1676250	0.75			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	1676250	0.75	
	At the end of the year				1676250	0.75	
18.	Rajesh Kumar Agarwal - (Promoter Group)						
	At the beginning of the year		1602308	0.72			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	1602308	0.72	
	At the end of the year				1602308	0.72	
19.	Bhawna Agarwal - (Promoter Group)						
	At the beginning of the year		3087690	1.39			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	3087690	1.39	
	At the end of the year				3087690	1.39	
20.	Brijdham Merchants Pvt. Ltd - (Promoter Group)						
	At the beginning of the year		7743990	3.49			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	7743990	3.49	
	At the end of the year				7743990	3.49	
21.	Vishnu Khemani - (Promoter)						
	At the beginning of the year		12607857	5.67			
	Date wise Increase/ Decrease in Shareholding during the year	06.03.2018	1789	Negligible	12609646	5.68	Purchase
	At the end of the year				12609646	5.68	
22.	Sudha Khemani - (Promoter Group)						
	At the beginning of the year		5985286	2.69			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	5985286	2.69	
	At the end of the year				5985286	2.69	
23.	Prem Kumar Bhajanka -(Promoter)						
	At the beginning of the year		4636997	2.09			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	4636997	2.09	
	At the end of the year				4636997	2.09	
24.	Yash Bhajanka - (Promoter Group)						
	At the beginning of the year		3149132	1.42			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	3149132	1.42	
	At the end of the year				3149132	1.42	
25.	Nancy Choudhary - (Promoter Group)						
	At the beginning of the year		100000	0.05			
	Date wise Increase/ Decrease in Shareholding during the year	22.03.2018	(5000)	Negligible	95000	0.04	Sale
	At the end of the year				95000	0.04	

iv) Shareholding Pattern of top ten Shareholders (as on 31st March, 2018) (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl.	For each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase/ decrease
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1.	Government Pension Fund Global						
	At the beginning of the year		5500000	2.48			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	5500000	2.48	
	At the end of the year				5500000	2.48	
2.	Aditya Birla Sun Life Trustee Private Limited						
	At the beginning of the year		Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year	07.04.2017	58577	0.03	58577	0.03	Transfer
		19.05.2017	563500	0.25	622077	0.28	Transfer
		02.06.2017	1000	Negligible	623077	0.28	Transfer
		16.06.2017	200000	0.09	823077	0.37	Transfer
		21.07.2017	84900	0.04	907977	0.41	Transfer
		01.09.2017	55000	0.02	962977	0.43	Transfer
		08.09.2017	150000	0.07	1112977	0.50	Transfer
		15.09.2017	207500	0.09	1320477	0.59	Transfer
		22.09.2017	58110	0.03	1378587	0.62	Transfer
		30.09.2017	110500	0.05	1489087	0.67	Transfer
		06.10.2017	52000	0.02	1541087	0.69	Transfer
		13.10.2017	207600	0.09	1748687	0.79	Transfer
		03.11.2017	125600	0.06	1874287	0.84	Transfer
		10.11.2017	107900	0.05	1982187	0.89	Transfer
		24.11.2017	114200	0.05	2096387	0.94	Transfer
		01.12.2017	12900	0.01	2109287	0.95	Transfer
		08.12.2017	203200	0.09	2312487	1.04	Transfer
		22.12.2017	37000	0.02	2349487	1.06	Transfer
		02.02.2018	(29000)	(0.01)	2320487	1.04	Transfer
		02.03.2018	559000	0.25	2879487	1.30	Transfer
		09.03.2018	211000	0.09	3090487	1.39	Transfer
		16.03.2018	155100	0.07	3245587	1.46	Transfer
		23.03.2018	209500	0.09	3455087	1.56	Transfer
		30.03.2018	132700	0.06	3587787	1.61	Transfer
	At the end of the year				3587787	1.61	
3.	Sundaram Mutual Fund						
	At the beginning of the year		3675309	1.65			
	Date wise Increase/ Decrease in Shareholding during the year	03.11.2017	(31597)	(0.01)	3643712	1.64	Transfer
		15.12.2017	(609)	Negligible	3643103	1.64	Transfer
		29.12.2017	10206	Negligible	3653309	1.64	Transfer
		12.01.2018	(10843)	Negligible	3642466	1.64	Transfer
		16.02.2018	(19403)	(0.01)	3623063	1.63	Transfer
		23.02.2018	(43997)	(0.02)	3579066	1.61	Transfer
		02.03.2018	(225956)	(0.10)	3353110	1.51	Transfer
		16.03.2018	(302590)	(0.14)	3050520	1.37	Transfer
		23.03.2018	(34010)	(0.02)	3016510	1.36	Transfer
	At the end of the year				3016510	1.36	

Sl.	For each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase/ decrease
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
4.	**Goldman Sachs India Limited**						
	At the beginning of the year		2850659	1.28			
	Date wise Increase/ Decrease in Shareholding during the year	07.04.2017	152692	0.07	3003351	1.35	Transfer
	At the end of the year				3003351	1.35	
5.	**Parvest Equity World Emerging**						
	At the beginning of the year		2511328	1.13			
	Date wise Increase/ Decrease in Shareholding during the year	07.07.2017	(182185)	(0.08)	2329143	1.05	Transfer
		14.07.2017	(107137)	(0.05)	2222006	1.00	Transfer
		21.07.2017	(234511)	(0.11)	1987495	0.89	Transfer
		20.10.2017	102565	0.05	2090060	0.94	Transfer
	At the end of the year				2090060	0.94	
6.	**Reliance Mutual Fund**						
	At the beginning of the year		Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year	13.10.2017	1510000	0.68	1510000	0.68	Transfer
		09.02.2018	3833	Negligible	1513833	0.68	Transfer
	At the end of the year				1513833	0.68	
7.	**HDFC Mutual Fund**						
	At the beginning of the year		2405000	1.08			
	Date wise Increase/ Decrease in Shareholding during the year	19.05.2017	(568000)	(0.26)	1837000	0.83	Transfer
		26.05.2017	(460000)	(0.21)	1377000	0.62	Transfer
	At the end of the year				1377000	0.62	
8.	**Scotia Enterprises Private Limited**						
	At the beginning of the year		1275159	0.57			
	Date wise Increase/ Decrease in Shareholding during the year		Nil	-	1275159	0.57	
	At the end of the year				1275159	0.57	
9.	**Pictet Country (Mauritius) Limited**						
	At the beginning of the year		1553022	0.70			
	Date wise Increase/ Decrease in Shareholding during the year	26.05.2017	379816	0.17	1932838	0.87	Transfer
		22.09.2017	(392243)	(0.18)	1540595	0.69	Transfer
		09.02.2018	(9057)	Negligible	1531538	0.69	Transfer
		16.02.2018	(116306)	(0.05)	1415232	0.64	Transfer
		02.03.2018	(157407)	(0.07)	1257825	0.57	Transfer
	At the end of the year				1257825	0.57	
10.	**Ontario Pension Board - Mondrian Investment Partners Limited**						
	At the beginning of the year		1017356	0.46			
	Date wise Increase/ Decrease in Shareholding during the year	07.07.2017	(27769)	(0.01)	989587	0.45	Transfer
		14.07.2017	(97491)	(0.04)	892096	0.40	Transfer
		21.07.2017	(13390)	(0.01)	878706	0.40	Transfer
	At the end of the year				878706	0.40	

CENTURYPLY

v) Shareholding of Directors and Key Managerial Personnel:

Sl.	For each of the Directors & KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase/ decrease
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1.	Sajjan Bhajanka						
	At the beginning of the year		25232954	11.36			
	Date wise Increase/ Decrease in Shareholding during the year.	17.07.2017	(200000)	(0.09)	25032954	11.27	Inter se Transfer
	At the end of the year				25032954	11.27	
2.	Sanjay Agarwal						
	At the beginning of the year		24200124	10.89			
	Date wise Increase/ Decrease in Shareholding during the year.	19.04.2017	(50000)	(0.02)	24150124	10.87	Inter se Transfer
	At the end of the year				24150124	10.87	
3.	Vishnu Khemani						
	At the beginning of the year		12607857	5.67			
	Date wise Increase/ Decrease in Shareholding during the year.	06.03.2018	1789	Negligible	12609646	5.68	Purchase
	At the end of the year				12609646	5.68	
4.	Prem Kumar Bhajanka						
	At the beginning of the year		4636997	2.09	-	-	
	Date wise Increase/ Decrease in Shareholding during the year.		Nil	-	4636997	2.09	
	At the end of the year				4636997	2.09	
5.	Hari Prasad Agarwal						
	At the beginning of the year		2435760	1.10			
	Date wise Increase/ Decrease in Shareholding during the year.		Nil	-	2435760	1.10	
	At the end of the year				2435760	1.10	
6.	Ajay Baldawa						
	At the beginning of the year		75000	0.03			
	Date wise Increase/ Decrease in Shareholding during the year.		Nil	-	75000	0.03	
	At the end of the year				75000	0.03	
7.	Keshav Bhajanka						
	At the beginning of the year		100000	0.05			
	Date wise Increase/ Decrease in Shareholding during the year.	17.07.2017	400000	0.18	500000	0.23	Inter se Transfer
	At the end of the year				500000	0.23	

Sl.	For each of the Directors & KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase/ decrease
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
8.	**Nikita Bansal**						
	At the beginning of the year		Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year.	19.04.2017	50000	0.02	50000	0.02	Inter se Transfer
	At the end of the year				50000	0.02	
9.	**Mangi Lal Jain**						
	At the beginning of the year		6650	Negligible			
	Date wise Increase/ Decrease in Shareholding during the year.	01.09.2017	(200)	Negligible	6450	Negligible	Sale
	At the end of the year				6450	Negligible	
10.	**Santanu Ray**						
	At the beginning of the year		Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year.		Nil	-	Nil	-	
	At the end of the year				Nil	-	
11.	**Asit Pal**						
	At the beginning of the year		Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year.		Nil	-	Nil	-	
	At the end of the year				Nil	-	
12.	**Mamta Binani**						
	At the beginning of the year		Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year.		Nil	-	Nil	-	
	At the end of the year				Nil	-	
13.	**J P Dua**						
	At the beginning of the year		Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year.		Nil	-	Nil	-	
	At the end of the year				Nil	-	
14.	**Vijay Chhibber**						
	At the beginning of the year		Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year.		Nil	-	Nil	-	
	At the end of the year				Nil	-	
15.	**Sunil Mitra**						
	At the beginning of the year		Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year.		Nil	-	Nil	-	
	At the end of the year				Nil	-	
16.	**Debanjan Mandal**						
	At the beginning of the year		Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year.		Nil	-	Nil	-	
	At the end of the year				Nil	-	

Sl.	For each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase/ decrease
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
17.	**Arun Kumar Julasaria**					
	At the beginning of the year	11054	Negligible			
	Date wise Increase/ Decrease in Shareholding during the year.	Nil	-	11054	Negligible	
	At the end of the year			11054	Negligible	
18.	**Sundeep Jhunjhunwala**					
	At the beginning of the year	Nil	-			
	Date wise Increase/ Decrease in Shareholding during the year.	Nil	-	Nil	-	
	At the end of the year			Nil	-	

V. INDEBTEDNESS

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

₹ in Lac

Sl.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1.	**Indebtedness at the beginning of the financial year**				
	i) Principal Amount	59787.08	500.00	-	60287.08
	ii) Interest due but not paid	26.10	14.03	-	40.13
	iii) Interest accrued but not due	104.57	-	-	104.57
	Total (i+ii+iii)	59,917.75	514.03		60,431.78
2.	**Change in Indebtedness during the financial year**				
	Addition	1563264.83	37481.00	-	1600745.83
	Reduction	1568783.94	37981.00	-	1606764.94
	Net Change	(5,519.11)	(500.00)		(6,019.11)
3.	**Indebtedness at the end of the financial year**				
	i) Principal Amount	54,267.97	-	-	54,267.97
	ii) Interest due but not paid	14.62	-	-	14.62
	iii) Interest accrued but not due	132.75	-	-	132.75
	Total (i+ii+iii)	54,415.34	-	-	54,415.34

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lac

Sl.	Particulars of Remuneration	Name of MD/WTD/ Manager								Total Amount
		Sajjan Bhajanka (CMD)	Sanjay Agarwal (CEO & MD)	Hari Prasad Agarwal (WTD)	Prem Kumar Bhajanka (MD)	Vishnu Khemani (MD)	Keshav Bhajanka (WTD)	Ajay Baldawa (WTD)	Nikita Bansal (WTD)	
1.	Gross salary									
	(a) Salary as per provisions contained in section 17(1) of the Income- Tax Act, 1961	120.00	120.00	60.00	120.00	120.00	50.00	110.50	24.00	724.50
	(b) Value of perquisites u/s 17(2) of the Income- Tax Act, 1961	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4.	Commission									
	- as % of profit	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	-others, specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (A)	120.00	120.00	60.00	120.00	120.00	50.00	110.50	24.00	724.50
	Ceiling as per the Act									2125.38

B. Remuneration to other Directors:

₹ in Lac

Sl.	Particulars of Remuneration	Name of Directors										Total Amount
		Manindra Nath Banerjee	Mangi Lal Jain	Santanu Ray	Samarendra Mitra	Asit Pal	Mamta Binani	J P Dua	Vijay Chhibber	Sunil Mitra	Debanjan Mandal	
1.	Independent Directors											
	• Fee for attending Board/ Committee meetings	0.80	3.90	3.70	1.20	2.20	3.70	2.20	1.20	1.40	1.40	21.70
	• Commission	0.67	3.00	3.00	0.67	3.00	3.00	3.00	3.00	3.00	3.00	25.33
	• Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total(1)	1.47	6.90	6.70	1.87	5.20	6.70	5.20	4.20	4.40	4.40	47.03
2.	Other Non-executive Directors											
	• Fee for attending Board/ Committee meetings	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total(B)=(1+2)	1.47	6.90	6.70	1.87	5.20	6.70	5.20	4.20	4.40	4.40	47.03
	Total Managerial Remuneration											749.83*
	Overall Ceiling as per the Act											2337.91

* excluding fee for attending Board/ Committee meetings

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

₹ in Lac

Sl.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total
1.	Gross salary			
	a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	101.26	31.47	132.73
	b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	0.15	0.15	0.30
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit	Nil	Nil	Nil
	- others, specify.	Nil	Nil	Nil
5.	Others, specify	Nil	Nil	Nil
	Total	101.41	31.62	133.03

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no Penalties/ Punishment/ Compounding of offences for breach of any provisions of the Companies Act, 2013 against the Company or its Directors or other officer in default, during the year.

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)
Chairman & Managing Director

Kolkata, 24th July, 2018

Annexure 10

Disclosure of the particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

(i) The Company adopted the following measures towards conservation of energy:

- Energy meters installed at all location to monitor/control for power optimum utilisation.
- Resin plant floor washing waste water are being reused in resin preparation.
- Resin formulations changed to avoid vacuum distillation thus no effluent water is discharged.
- Installation of wet scrubbers for air pollution control installed in lamination plant.
- Auto control capacitor panels installed for maintaining power factor as per norms.
- Variable frequency drives installed operate ID fan at reduced speed to avoid heat loss and save power.
- The electric distribution network is periodically analysed for corrective and proactive measures to optimise energy usage, ensuring an effective and efficient system of energy distribution.
- Yearly energy audit is conducted and recommendations are implemented to obtain optimum utilisation.
- Installation of electrical parameters for monitoring of different sections for power control.
- Changed over supply power from 11 KV to 33 KV which minimised drastically the load shedding and the operation of generators. Moreover, the quality of voltage is steady minimising the damage to motors.
- Installation of sky light sheet which enabled to switch off the lighting system during day time.
- Installation of turbo vents to improve air circulation without electrical energy.
- Rain water harvesting–all rain water collected and stored.
- There is a gradual shift towards installation of LED lighting by phasing out conventional Tube Lights/Sodium/Mercury Halogen lights. As a result of which, there is a reduction of 20KW in lighting load.

(ii) The steps taken by the Company for utilising alternate sources of energy:

- Installation of solar roof-top panels on factory sheds for generation of power thereby substantially reducing dependence on fossil fuels and emission of carbon dioxide.
- Increased the turbo vents for better air circulation without electrical energy.

(iii) Additional investments including Capital Investments on equipment and proposals, if any:

Investments, wherever required, for conservation of energy are proactively made by the Company. The Company has a continuous process to monitor and explore ways and means for conservation of energy. During the year, the Company has incurred an expenditure of ₹5 crore on solar panel equipment for its Chennai unit with an installed capacity of 1 MW of power. Further, an amount of ₹30 crore is projected to be spent during FY 2018-19 for installing similar facilities at the other units of the Company with an aggregate capacity of 5 MW of power.

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption:

- The Company is carrying out in-house research to develop new and better products and also to improvise the quality of existing products.
- The Company is regularly trying to increase usage of environmentally safe ingredients in its products.
- The Company is working to control/reduce formaldehyde emission from plywood and HPL by improved glue formulation.
- Correction module has been installed to control board density across width.
- Manufacturing process/parameters are continuously monitored and modified wherever required to ensure better productivity both in terms of quantity and quality.

- Collaboration with different research laboratories for development of innovative products.
- Adopted Nano Technology for producing anti-bacterial and anti-fungal Laminates and Plywood.
- Introducing Nano Technology shortly in Plywood and Laminates to produce Fire Retardant properties, currently under development.
- Developed new resin manufacturing technology to avoid vacuum distillation at final stage to avoid liquid effluent discharge.
- Setting up a quality assurance cell to ensure the dispatch of only goods produced under strict process control with specific standard notifications from the factory.
- Participating in national and international conferences, seminars and exhibitions.
- Analysing feedback from users to improve products and services.

(ii) Benefits derived:

- Improved product quality and quantity
- Cost reduction, technology up-gradation
- Reduction in manufacturing time
- Customer satisfaction by delivery of diversified range of products
- Better utilisation of resources through improved processes

(iii) Details of Imported Technology:

The Company has not imported technology during the last three years and wherever required, the Company takes guidance from technical experts as well as from suppliers of machinery within India.

(iv) Expenditure on R&D:

During the year under review, the Company has not incurred any specific and material capital/recurring expenditure on research and development. Research and Development is carried out in-house using the existing manufacturing setup. The Company is a member of Indian Plywood Industries Research and Training Institute (IPIRTI) and has contributed ₹18,000 to it. The technologies used by the Company are indigenous.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ in crore

Earnings on account of:	2017-18	2016-17
FOB value of exports	90.33	84.58
Total	**90.33**	**84.58**
Outgo on account of:		
a) Raw materials	320.94	286.82
b) Capital goods	13.52	121.19
c) Traded goods	130.34	105.54
d) Stores and spare parts	6.21	4.79
e) Transit Stock	23.78	22.03
f) Services	0.20	0.09
g) Travelling expenses	0.64	1.21
h) Interest	8.66	5.22
i) Others	0.54	0.30
Total	**504.83**	**547.19**

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)
Chairman & Managing Director

Kolkata, 24th July, 2018

Management discussion and analysis

INDIAN ECONOMIC OVERVIEW

The Indian economy headed for slower growth of around 6.7% in 2017-18. The year under review was marked by structural reforms: in addition to GST implementation, the government focused on significant resolution of challenges related to bank non-performing assets, FDI liberalization, bank recapitalization and coal mine privatisation. Export growth rebounded in 2016-17 and strengthened thereafter in 2017-18; foreign exchange reserves rose to US$ 422.53 billion as of March 2018.

ESTIMATION FOR THE FY2017-18 VS. FY 2016-17

Earnings on account of:	2017-18*	2016-17
GDP growth	6.6%	7.1%
GVA growth	**6.4%**	**9.0%**
Farm growth	3%	9.0%
Manufacturing growth	5.1%	9.3%
Power and gas growth	7.3%	6.5%
Mining growth	3%	1.9%
Construction growth	4.3%	3.5%
Trade, hotel, transport, telecom growth	8.3%	9.8%
Financials, realty growth	7.2%	9.8%
Public, admin, Defence growth	10.1%	16.6%
Per capita income growth	8.3%	9.7%

**Estimated*

KEY GOVERNMENT REFORMS

Bank recapitalisation scheme: The Central Government announced capital infusion of ₹2.1 lac crore into public sector banks.

Expanding road network: The Government of India announced a ₹6.9 lac crore investment to construct 83,677 kilometres of roads across five years.

Improving Business ecosystem: The Insolvency and Bankruptcy Code was passed, simplifying tax computation and merging applications for PAN and TAN.

Goods and Services Tax: The Government of India launched GST in July 2017, with the vision of creating a unified market. Under this regime, various goods and services are taxed as per five slabs (28%, 18%, 12%, 5% and zero tax).

Foreign Direct Investment: Foreign direct investment increased from approximately USD 24 billion in FY2012 to approximately USD 60 billion in FY2017, an all-time high. The country received FDI inflow of US$48 billion between April-December 2017.

Coal mining opened for private sector: Ending state monopoly, the government opened coal mining to private sector firms for commercial use, the most ambitious sectoral reform since nationalization in 1973.

Doubling farm incomes: The government initiated a seven-point action plan to double farm incomes by 2022.

The result: World Economic Forum's Global Competitiveness Report 2017 ranked India at 23 in the Global Competitiveness Index from 39 in 2016.

OUTLOOK

World Bank projected India's economic growth to accelerate to 7.4% in 2018-19 and 7.5% in 2019-20, catalysed by private consumption and services. Private investment is expected to revive as soon as the country adjusts to GST. The recapitalisation package for public sector banks announced by the Government of India is expected to resolve banking sector Balance Sheets, enhance credit availability and spur investment.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian wood panel industry is estimated to be worth ~₹285 billion. The industry has traditionally remained largely unorganised given the low technical knowhows and skillsets required in the sector. However, the pattern has been gradually changing during the past few years with the organised players growing at a much faster rate (12-15%) compared to the average industry growth rate of 5-7%, taking away market share from unorganised entities. New construction activities (85-90%) have been driving most of the demand in the sector while the balance has come from renovation and replacement-related demand.

PLYWOOD

Plywood is manufactured by assembling thin layers of wood veneers bonded together using powerful adhesives. Softwoods, hardwoods, or a combination of the two is used, such as several varieties of maple, mahogany, oak, pine, cedar and spruce, among others, in the production of plywood for various applications. Softwood plywood sheets are designed for installation on the exterior of a structure, whereas, hardwood plywood is used for manufacturing furniture and other interior applications. In India, plywood is mostly used for the manufacturing of furniture, accounting for two-thirds of the wood consumption. The Indian plywood market reached a value of US$4.2 billion in 2017, growing at a CAGR of ~5% between 2010 and 2017. On the basis of end-use the market is divided into commercial and residential sectors. The residential sector is the largest consumer for Indian plywood, accounting for more than half of the total share. Plywood is a blooming market in India and will remain to do so for this decade, at least. Indian plywood has made its mark in the global market as well. Shipments of Indian-made furniture for the U.S. market was at US$336 million. With rationalisation of the GST from 28% to 18% on plywood, organised players are hopeful of increasing their market shares. It is perceived that the unorganised plywood sector, which accounts for 70-80% of the estimated ₹20,000-crore-industry, would stand to lose the most. Consequently, the organised sector hopes to grow at a rate of 25% y-o-y.

VENEERS AND LAMINATES

The Indian veneers and laminates market is valued at ₹5,000 crore, growing at a five-year-CAGR of 10%. The market share of the organised sector accounts for a 55% share of the market (organized market share valued at ₹2800 crore) . The sharp shift in preference for products manufactured by organised players has been catalysed by the implementation of GST. The taxation reform has brought all local and national companies under the same tax bracket, thereby removing price disparities. Some other reasons include innovation in terms of product mixes, designs and lower input prices that have resulted in higher margins for organised laminates and decorative veneer manufacturing companies.

MEDIUM DENSITY FIBREBOARDS

The medium density fibreboard market in India is entirely organised as this segment poses a daunting entry barrier in terms of high capital investments. Medium density fibreboards are increasingly being used as a substitute for low to medium quality plywood as it is 40-50% cheaper, resistant to moisture and can be easily moulded and machined for diverse applications. There also exists a significant scope for import substitution as 30-35% of the demand in India is met via products manufactured outside the country. Additionally, an anti-dumping duty of US$64 per cubic metre levied on the import of medium density fibreboards (with thicknesses of +6 millimetres) would further benefit the local players. Capitalising on changing consumer preferences and governmental support, the medium density fibreboard segment has emerged as the fastest-growing product in wood panels market with demand growing at a CAGR of 14.1% to reach ₹31billion by FY21 from ₹16 billion during FY16.

FURNITURE

India's organised furniture industry is expected to grow at a rate of 20% per annum and is projected to cross US$32 billion in revenues by 2019. The emergence of dedicated online furniture portals has given a strong impetus to the sector. The online home décor market in India is projected to grow at a CAGR of 50.42% till 2019. The luxury furniture market is expected to garner US$27.01 billion in revenues by 2020, registering a CAGR of 4.1%. FDI in the Indian real estate sector and the Central Government's Housing for All by 2022 initiative along with the development of 100 smart cities to accommodate India's growing urban population are some of the growth drivers for the sector. The anticipated growth in tourism, hospitality and retail sectors is also expected to spur furniture demand in the country. The rise in demand of residential realty is as huge as 20% and the home furniture market is expected to witness the fastest growth over the next five years, followed by the office and institutional segments. Changes made to FDI regulations under the Make in India campaign has already resulted in a 60% growth in inflow of international capital, thus facilitating localised production. On the threshold of major reforms and poised to become the third largest economy in the world by 2030, Make in India has announced a variety of initiatives which will facilitate the indigenous manufacturing of furniture and bring about ease of doing business.

Office furniture market to boom in the coming years

The office furniture market in India is projected to grow to US$13.58 billion by 2021, at a compound annual growth rate of more than 20 % over the forecast period, as per the research report released by Technavio. The furniture market in India, which is largely dominated by the unorganised sector, office furniture segment is one of the major revenue generators of the overall furniture market in India.

SECTORAL OPTIMISM

- **Real estate revival:** Backed by strong regulatory mechanism and massive housing schemes, the real estate sector in India is set for a revival in 2018. The Government of India, under its Housing for All by 2022 mission, has set an ambitious target of providing 2 crore homes by 2022 and half of these are expected to be completed by 2019. This will be a strong demand driver for the panel products sector. There is a burgeoning demand for commercial real estate across retail, hospitality and healthcare sectors.

With FDI norms in real estate being relaxed, foreign funds are expected to flow into the real estate market, providing a much-needed fillip to the commercial realty market.

- **Growing private consumption:** India is witnessing consistent rise in private consumption levels, growing at a rate of more than 7% since FY2016 and is expected to remain so until FY19.
- **GST rationalisation:** With the rationalisation of the GST from 28% to 18%, organised plywood players are hopeful of increasing their market shares. The price gap between organised and unorganised players will get squeezed to about 20%, down from the preexisting 30-35%, helping large organised players to carve out a larger slice of the sectoral pie.
- **Raw material security:** India's forests are populated by a variety of deciduous, coniferous, tropical and evergreen trees. Plywood is manufactured from timber logs and formed by combining thin sheets of face and core veneer. The industry is undergoing a transformational shift from unorganised market to the organised. An increased willingness to spend on branded plywood among the middle class has been noted in the recent years. This implies a greater importance being given to the quality of the product purchased.
- **Shifting preferences:** Since plywood is often a one-time purchase, a greater willingness for purchasing premium products has been witnessed in the recent years, owing to the durability and eco-friendliness they offer.
- **Rapid urbanisation:** The pace at which Indians are shifting from rural to urban centres has reached unprecedented levels. By 2050, 60% of Indians will live in cities. Delhi, Mumbai, and Kolkata will be among the world's largest cities and cumulatively become home to ~100 million people. This rapid urbanisation would require more homes to be built in the cities, which, in turn, will drive the demand for wood panel products in the coming years.
- **Growing replacement demand:** Urbanisation is on the rise and individuals are adopting modern ways of living. This has resulted in a shortening of the furniture replacement cycle, bolstering the demand for wood panel products in the country.
- **Rural income boost:** The growth in nominal rural wages has remained stable at 6-6.5% in FY17 and in the first four months of FY18. However, owing to the sharp fall in inflation, real rural wages accelerated over the last 12 months. After remaining flat y-o-y in 1HFY17, growth improved to 3.3% in 2HFY17 and further to 4.8% during April-July 2017, the fastest pace in four years. The sustained improvement in real rural wages is a positive for rural demand.

OPPORTUNITIES AND THREATS- SCOT ANALYSIS OF THE INDIAN ORGANISED PLYWOOD INDUSTRY

Strengths

- One of the fastest-growing economies in the world
- Wide product portfolio
- Consistent cost optimisation initiatives
- Decades-long experience
- Deep distribution network
- Superior branding strategies

Challenges

- Raw material unavailability
- Price volatilities of raw materials
- Price sensitivity issues

Opportunities

- GST implementation
- Demand recovery in downstream sectors
- Growing urban population
- Demand for new-age products
- Growing per capita incomes
- Rising nuclearisation
- Increasing preference for premium products

Threats

- Tight control on raw material supply chains in neighbouring countries
- Competition from the unorganised sector
- Cheaper substitutes

Impact of GST on the wood panel products segment

The share of organised players was a meager 10% in FY07. The government's decision at that time to reduce the excise duty from 12% to 6% resulted in a big gain in market share temporarily. However a few years later, the duty was revised back and the shift from unorganised to the organised segment slowed down and the organised players' share is only at 30% today. GST is likely to narrow the price gap between organised and unorganised. Also, with GST at 18% and the expected introduction of the E-way bill, a lot of unorganised players are expected to become tax compliant which would narrow the pricing gap further between unorganised and organised from 20% to ~5-7%. This will facilitate a much faster shift from unorganised to organised players.

OUTLOOK

The past few decades have witnessed an increased expenditure on furniture owing to growing incomes, urbanisation and investments in real estate and a growing number of nuclear families, among others. Besides, the continuous introduction of new designs and an expanding distribution network have also helped in influencing new buyers. Subsequently, the market is further expected to reach ~US$15 billion by 2023. Centuryply is positioned attractively to capitalise on these upcoming opportunities. The Company's strong brand recall, wide product portfolio and proven ability to service growing demand, will drive business sustainability in the years to come.

LOGISTICS SECTOR IN INDIA

The Indian logistics industry which provides employment to >22 million people has grown at a CAGR of 7.8% during the last five years. With the implementation of GST, the Indian logistics market is expected to reach about US$215 billion in 2020, growing at a CAGR of 10.5%. India's logistics sector is poised for a strong 2018 after leasing activity jumped 70% to 17 million square feet in 2017. Demand for warehousing space is now expected to be 20 million square feet this year with both new and existing occupiers expanding their operations. World Bank's 2016 Logistics Performance Index showed that India jumped to the 35th spot in 2016 from 54th in 2014 in terms of the six logistics performance indices. Third party logistics, e-commerce, FMCG, retail, engineering and manufacturing companies are driving transaction activity while the Central Government's impetus on formalising the sector by granting infrastructure status have also propelled investments and supply creation. The logistics sector now finds a place in the 'Harmonised Master List' of the infrastructure subsector. This inclusion is set to benefit the logistics industry as it will now have an access to cheaper and long-term credit. Such a move will also lead to simplification of the approval process for the construction of multimodal logistics parks. Lastly, it will encourage market accountability through regulation and will attract investments from debt and pension funds into recognised projects. Bangalore, Delhi-NCR and Mumbai accounted for >50% of the warehousing space demand. However, smaller cities are growing in importance, with the shares of Hyderabad, Chennai, Kolkata and Pune in overall transacted space grew from 25% in 2016 to 49% in 2017. To a large extent, the logistics sector in India remains unorganised, it said adding the industry is facing challenges such as high cost of logistics impacting competitiveness in domestic and global market, underdeveloped material handling infrastructure, fragmented warehousing and lack of seamless movement of goods across modes, among others. Improving the logistics sector has huge implication on exports and it is estimated that a 10% decrease in indirect logistics cost can increase 5-8 % of exports. Kandla handled the highest traffic volume at 110.09 million tonnes during 2017-18, followed by Paradip (102.01 million tonnes), Navi Mumbai (66 million tonnes), Visakhapatnam (63.53 million tonnes) and Mumbai (62.82 million tonnes). Chennai handled 51.88 million tonnes of cargo while Kolkata and Haldia handled 57.88 million tonnes. In terms of containers, Kolkata Port along with Haldia handled 7,96,210 twenty-foot equivalent units in 2017-18 compared to 7,71,676 twenty-foot equivalent units in 2016-17, a growth of 3.18%. Kolkata along with Haldia reported the highest-ever container throughput in their history.

SEGMENTAL OVERVIEW

- **Plywood:** Plywood is the key money-spinning segment for the Company. However, during FY18, net revenues from this segment witnessed a marginal increase from ₹1,261.81 crore in FY17 to ₹1,268.94 crore in FY18. Growth during the first three quarters of the year remained muted owing to the impact of the GST implementation. However, with the revised rates for plywood becoming applicable from November 2017, the Company witnessed traction in terms of offtake and was proactive enough to pass on the impact of the GST to its customers.
- **Laminates:** The Company's laminates business continued to strengthen during the year under review with net revenues improving by 14.5% from ₹370.72 crore in FY17 to ₹424.60 crore in FY18, accounting for a 21% share of the Company's total revenues. During the year under review, the Company implemented its plans for expansion of its laminates capacity by around 57% and almost 50% of the targeted enhancement became operational in FY 18. The remaining capacity enhancement is also likely to become operational within the second quarter of FY 19.
- **Particle board:** The Company's 54,000 cubic metre particle unit board unit in Chennai started operations in 2016-17. The Company's net revenue from the segment increased 88% from ₹23.13 crore in 2016-17 to ₹45.49 crore in 2017-18. During the year under review, the Company was able to achieve a capacity utilisation level of 80%
- **MDF:** The MDF unit of the Company started commercial operations from October 2017. The Company reported 50% capacity utilisation during the year under review and reported a revenue of ₹112.80 crore.
- **Logistics:** The logistics business of the Company reported a 13% growth in terms of net revenues, from ₹88.01 crore in FY17 to ₹99.44 crore in FY18.

MEDIUM AND LONG-TERM STRATEGY

Over the medium term and long term, the Company will be focusing on achieving optimum utilisation of its expanded capacities across products and create markets for them. Leveraging its MDF capacity, the Company has already forayed into pre-engineered doors and going ahead, it is planning to venture into prelaminated MDFs, knock-down furniture and MDF flooring sections among others. The Company has created its own ecommerce portal for selling panel products and will be focusing on strengthening the vertical.

RISK MANAGEMENT

Risks are integral part for a business to grow. However, an effective risk management framework helps the organisation in mitigating the risks effectively and ensures business sustainability. Effective risk management comprises reducing the element of surprise, improve services, ensure proactive change management, source resources efficiently, optimise utilisation levels, prevent leakages and reduce wastages. Centuryply has an efficient risk management process in place and the same is periodically reviewed by the Board for measuring their effectiveness. The process evaluates each risk associated with various business transactions and undertakes effective mitigation strategies to minimise impact.

KEY RISKS AND THEIR MANAGEMENT AT CENTURYPLY

Key risks	Risk explanation	Mitigation strategies
Economic downturn	Slowdown in the economy may impact the industry	With the impact of demonetisation and teething issues of GST implementation fading away, the Indian economy is poised for strong growth. The IMF predicts that Indian economy will grow at a rate of 7.4% in FY19, compared to 6.7% in FY18 and accelerate further to 7.8% in FY20.
Industry slump	Slowdown in downstream sectors could impact offtake	With the real estate sector gradually recovering, the demand for panel products is all set to grow. The Housing for All Scheme is expected to drive the demand for panel products. Growing per capita incomes coupled with increasing private consumption levels bode well for the industry. On the other hand, increasing office space demand is expected to drive offtake of office furniture in the country.
Inability to innovate	Lack of innovative products may dampen growth	The Company was the first in the country to offer innovative products like borer-resistant, termite-resistant, water-proof and fire-proof plywood in the country. The Company has popularised revolutionary products like particle boards, MDF, value-added decorative laminates, doors and fibre cement boards among others, in India.
Raw material inaccessibility	Inability to source raw materials may dampen operations	The Company has adequate sources for procuring raw materials for its products. The lift of ban on log exports from Myanmar is set to improve the situation.
Logistical challenges	Lack of distribution reach could result in loss of sales	Centuryply has more than 1500 dealers across the country selling its products. The Company's products are available in most cities and towns of the country.
Product acceptance	The Company's products may not be accepted by the market	The Company's superior product quality ensures steady offtake. The result is that the Company enjoys market leadership in the plywood segment and emerged as the 3rd largest player in the laminates segment within eleven years of entering the business. Within three months of launch, the Company's MDF unit achieved a capacity utilisation of 50%, reflecting robust product offtake.
Intensifying competition	High competition may impact profitability	The implementation of the GST has enabled the creation of a level playing field. Backed by strong quality and consistent performance, the Company has positioned itself favourably to capitalise on the sectoral upturn.
Cost increases	Increase in operational costs could impact viability	The Company has undertaken prudent cost optimisation measures to make itself one of the most cost-competitive manufacturers in the sector. The Company's recent foray into solar power generation will help significantly reduce power costs.
Compliance issues	Inability to comply with established regulations could impact operational sustainability	The Company is respected in the industry for its strong track record of complying with environmental and corporate norms.

Finance unavailability	Inability to fund expansions at a cost competitive rate could jeopardise financial stability	The Company believes in maintaining the integrity of its Balance Sheet. The Company's debt-equity ratio stood at 0.65 during 2017-18 compared to 0.85 in 2016-17 whereas free cash flow stood at more than ₹20 crore in 2017-18, ensuring adequate liquidity.
Forex fluctuations	Rise and fall in currency valuations could impact bottom-line	The Company's forex management team takes adequate hedging initiatives after reviewing the cost of hedging and currency losses. The Company avails overseas buyers' credit, on a case-to-case basis, so as to benefit from extended credit periods as well as manage long-term fluctuations.

OTHER RISKS

In the contemporary business environment, framing and implementing farsighted risk mitigation strategies is imperative towards the accomplishment of the Company's growth plans. Common risks include regulatory, competition, business, technological obsolescence and lack of capital for expansion of facilities. Business risks, inter alia, includes financial risks, political risks, fidelity risks and legal risks, among others. The Company has time and again proved that it has the expertise required to sustain business growth in the face of emerging and existing macroeconomic challenges and threats. Every move, be it a decision on costing or investment is taken on the back of an in-depth understanding of existing and emerging marketplace realities. The Company has put in place all the systems required to identify, monitor and mitigate the aforementioned risks.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has put in place an effective internal control system which undergoes continuous review. Additionally, corrective measures are taken to enhance efficiency levels, if and when required. The Company has been accredited with ISO 9001 and ISO 14001 certifications, indicating the keen emphasis it has laid on quality management and eco-friendly processes. The Company's SAP-based ERP system has been upgraded to SAP HANA which offers inexhaustible possibilities to define queries for detection of exceptions and/or detection of deviating transactions, real-time analytics on transactional data, unmatched flexibility when changing reporting structures and even instantaneous simulation of business scenarios.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's Consolidated Revenue from operations (net of excise duty) increased by 11% from ₹1818.73 to ₹2023.94 crores.

Profit before tax was lower by 13% from ₹244.98 crore in FY17 to ₹212.43 crore in FY18. Net profit for the year was also lower by 14% from ₹193.48 crore in FY17 to ₹166.14 crore in FY18.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company believes that its employees contribute wholeheartedly towards the success of the business. The employees are provided with a comfortable working environment and equal opportunity for learning and individual growth. The Company encourages creativity and innovation within the organisation and offers adequate training and motivation to the employees, helping them perform at their best. The Company offers compensation-related and other benefits to employees from time to time through a transparent compensation framework. As on 31st March 2018, the Company's workforce strength stood at 7116 people.

CAUTIONARY STATEMENT

The statements in the 'management discussion and analysis' section describing the Company's objectives, projections, estimates and prediction may be considered as forward-looking statements. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market positioning, expenditures and financial results are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievement may thus differ materially from those projected in such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement on the basis of any subsequent developments, information or events.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good corporate governance has consistently been Centuryply's cornerstone for sustained superior financial performance, and quality service to all its stakeholders. "Corporate Governance" in its literal sense means management of the organisation as a whole. Your Company is a firm believer of the fact that a good Corporate Governance structure facilitates effective entrepreneurial and prudent management that not only enhances the Company's brand and reputation but also enables it in maintaining valuable relationship and trust with all its stakeholders. The cardinal principles such as independence, accountability, responsibility, transparency, fair and timely disclosures, credibility, etc., serve as the means for implementing the philosophy of corporate governance in letter and spirit. The Company's business structures, values, cultures, policies and procedures are designed to ensure that the Company is managed in a manner that meets stakeholder's aspirations and societal expectations.

The Company rests on the values of 'People development', 'quality', 'trust', 'integrity' and 'customer focus'. Imbibing these values in the business conduct of the organization enhances the long term shareholder value, while keeping the interests of all stakeholders in view. The Company endeavors to uphold the principles and practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning which are vital to achieve its Vision of "Sarvada Sarvottam, - The Best Always."

The Company continuously focuses on upgrading its governance practices and systems to effectively meet the new challenges faced by the Company. It is focused on raising the standards of corporate governance and adopting best systems and procedures. We, at Centuryply, are committed to achieve and maintain the highest standards of corporate governance by timely and accurate disclosure of information regarding the performance of the Company to all its stakeholders. The Company believes in achieving business excellence and optimizing long-term value for its shareholders on a sustained basis through ethical business conduct.

1. BOARD OF DIRECTORS

Composition

The Company has an optimal balance of skill, experience, expertise and diversity of perspectives on its Board, suited to the requirements of the businesses of the Company. The Composition of the Board of Directors as on 31st March, 2018 is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The composition of the Board represents an optimal mix of professionalism, knowledge and experience. This enables the Board to discharge its responsibilities and provide effective leadership to the business.

The Board of Directors consists of an optimum combination of Executive and Non-Executive Directors with half of the Board comprising of Independent Directors. Inclusion of two women Directors further imparts a balance to the Board Processes.

As on 31st March, 2018 and on the date of this report, the Board consists of sixteen Directors headed by an Executive Chairman. There are eight Executive Directors including four Managing Directors and eight Non-Executive Independent Directors, all of whom are persons of eminence, bringing in a wide range of expertise and experience to the Board functioning. Detailed profile of our Directors is available on our website: www.centuryply.com.

The Company had framed a Policy on Board Diversity which sets out the approach to diversity on the Board of the Company. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as its business requirements. A Succession Plan has also been put in place and the same is being reviewed periodically by the Board to ensure leadership continuity.

Directorship, Committee Membership and Chairmanship

All the Directors have made necessary disclosures regarding directorship/ committee positions occupied by them in other listed entities/ public limited companies (whether listed or not) in accordance with Regulations 25 and 26 of the Listing Regulations and the Companies Act, 2013. The details of each member of the Board as on 31st March, 2018 along with the number of Directorship(s)/ Committee Membership(s)/ Chairmanship(s) are detailed below:

Sl.	Name	DIN	Designation	Category	No. of Directorship in		Membership(s) [including Chairmanship(s)] of Board Committees$
					Indian Public Limited Companies*	Others**	
1	Sri Sajjan Bhajanka	00246043	Chairman & Managing Director	Promoter - Executive	6	7	4
2	Sri Hari Prasad Agarwal	00266005	Vice Chairman & Executive Director	Promoter - Executive	8	4	3
3	Sri Sanjay Agarwal	00246132	CEO & Managing Director	Promoter - Executive	5	6	1
4	Sri Prem Kumar Bhajanka	00591512	Managing Director	Promoter - Executive	6	2	-
5	Sri Vishnu Khemani	01006268	Managing Director	Promoter - Executive	2	1	-
6	Sri Keshav Bhajanka	03109701	Executive Director	Promoter - Executive	2	1	-
7	Smt. Nikita Bansal	03109710	Executive Director	Promoter - Executive	2	-	-
8	Sri Ajay Baldawa	00472128	Executive Director	Executive – Non-Independent	7	1	-
9	Sri Mangi Lal Jain	00353075	Director	Independent	9	-	8 (including 4 as Chairman)
10	Sri Santanu Ray	00642736	Director	Independent	7	-	6 (including 3 as Chairman)
11	Sri Asit Pal	00742391	Director	Independent	10	-	10 (including 3 as Chairman)
12	Smt. Mamta Binani	00462925	Director	Independent	8	-	6 (including 2 as Chairman)
13	Sri J. P. Dua	02374358	Director	Independent	4	-	2 (including 1 as Chairman)
14	Sri Vijay Chhibber	00396838	Director	Independent	3	4	1
15	Sri Debanjan Mandal#	00469622	Director	Independent	6	2	3
16	Sri Sunil Mitra#	00113473	Director	Independent	7	-	7 (including 3 as Chairman)

 # Sri Debanjan Mandal and Sri Sunil Mitra were appointed as Additional Directors w.e.f. 1st August, 2017 and 3rd August, 2017 respectively.

** Includes Directorships in private companies that are either holding or subsidiary company of a public company.*

*** Includes Directorships in private limited companies (other than private companies that are either holding or subsidiary company of a public company), companies under Section 8 of the Companies Act, 2013, alternate Directorships, Directorship/Memberships of Managing Committees of various Chambers/Institutions/Universities and excludes Directorships in foreign companies.*

$ includes membership/ chairmanship of Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, Unlimited Liability Companies whether listed or not but excludes Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

None of the Directors hold office of a Director in more than twenty Companies including ten Public Companies and Private Companies that are either Holding or Subsidiary of a Public Company. None of the Directors is a Member of more than ten Committees or Chairman of more than five committees, across all the companies in which he/ she is a Director. Further, none of the Directors on the Board serve as an Independent Director of more than seven listed entities across all entities in which he/she is a Director. None of the whole time Director on the Board is serving as an Independent Director of more than three listed entities across all entities in which he/she is a Director. The Directors of the Company are not related inter-se, except for Sri Keshav Bhajanka who is the son of Sri Sajjan Bhajanka, Chairman and Managing Director and Smt. Nikita Bansal, who is the daughter of Sri Sanjay Agarwal, CEO & Managing Director.

2. BOARD MEETINGS & PROCEDURE

Meeting of Board are conducted at regular intervals to not only discuss normal Board business but also to enter into dialogue and take decisions on the Company's business policies and strategies. Meeting of the Board takes place every quarter with maximum time gap between any two consecutive meetings not exceeding 120 days, to review the quarterly results and other items on the agenda. Where situation so warrants, additional meetings are also held. However for any urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed in the subsequent Board meeting.

The Board Meetings are usually held in Kolkata and are scheduled well in advance to facilitate the Directors to plan their schedules and to ensure meaningful participation in the meetings. The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalise the agenda for Board meetings. Every Board Member is free to suggest items for inclusion in the Agenda. The agenda contains detailed notes on the items to be discussed at the meeting, thereby providing guidance to the Directors to take an informed decision. Presentations, wherever required, are also made at the Board meetings by the respective executives on the matters related to them. Any item not included in the Agenda is taken up for consideration before the Board with the permission of the Chairman and with the consent of majority of Directors present in the meeting.

The Board of Directors of the Company have full cognizance of its fiduciary responsibilities and recognizes its duties towards stakeholders to uphold the highest standards in all matters concerning the Company. Providing leadership and guidance to the Company's management and supervision and control of the Company's performance is the primary duty of the Board. Ensuring good governance and smooth functioning of the Company is the prime responsibility of the Board of Directors. All statutory and other significant and material information including those required under the Listing Regulations is placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders. The Board is apprised of all major events/items and decisions together with the overall performance of the Company. As and when necessary, senior executives are invited to provide additional inputs at the Board meeting for the items being discussed by the Board of Directors The Board periodically reviews compliance reports of all laws applicable to the Company.

The draft minutes of the meeting of the Board of Directors are sent to the Directors within fifteen days from the date of the meeting and comments, if any, received from the Directors are incorporated therein in consultation with the Chairman.

Board Meetings held during the year

Four Board Meetings were held during the financial year ended 31st March, 2018. These were held on 23rd May, 2017, 1st August, 2017, 30th October, 2017 and 5th February, 2018.

Attendance of Directors at the Board Meetings held during 2017-18 and at the last Annual General Meeting (AGM)

Sl.	Name of Director	No. of Board Meetings attended	Attendance at the last AGM held on 1st September, 2017
1	Sri Sajjan Bhajanka	4	Yes
2	Sri Hari Prasad Agarwal	4	Yes
3	Sri Sanjay Agarwal	4	Yes
4	Sri Prem Kumar Bhajanka	2	No
5	Sri Vishnu Khemani	2	No
6	Sri Keshav Bhajanka	4	Yes
7	Sri Ajay Baldawa	4	Yes
8	Smt. Nikita Bansal	4	Yes
9	Sri Mangi Lal Jain	4	Yes
10	Sri Santanu Ray	4	Yes
11	Sri Asit Pal	4	No
12	Smt. Mamta Binani	4	Yes
13	Sri J. P. Dua	4	No
14	Sri Vijay Chhibber	3	Yes
15	Sri Debanjan Mandal*	2	No
16	Sri Sunil Mitra *	2	No
17	Sri Manindra Nath Banerjee#	2	-
18	Sri Samarendra Mitra#	2	-

* *Sri Debanjan Mandal and Sri Sunil Mitra were appointed as Additional Directors w.e.f. 1st August, 2017 and 3rd August, 2017 respectively*

Sri Manindra Nath Banerjee and Sri Samarendra Mitra were Directors in the Company only till 1st August, 2017 and 2nd August, 2017 respectively.

Separate Meeting of Independent Directors

The Independent Directors of the Company met separately on 5th February, 2018 without the presence of Executive Directors or management representatives. The meeting was attended by all the Independent Directors except Sri Vijay Chhibber and Sri Debanjan Mandal. The Independent Directors evaluated the performance of the Chairman, Non-independent Directors, Board as a whole and that of its Committees. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees that is necessary to effectively and reasonably perform and discharge their duties. In addition to these formal meetings, interactions outside the Board meetings also take place between the Chairman and Independent Directors.

Directors' Induction and Familiarization

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. At the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. Company's profile, brief profile of all Directors, Investor Presentation and relevant Board Policies are also shared with them. A detailed note on familiarization programme undertaken for Independent Directors is included elsewhere in this Annual Report.

Details of familiarization programme imparted to Independent Directors and the terms and conditions of appointment of Independent Directors has also been disclosed on the website of the Company at http://www.centuryply.com/investor/investor-information/familiarisation-programme-details.pdf and http://www.centuryply.com/investor/investor-information/terms-conditions-of-appointment-of-independent-director.pdf respectively.

Succession Planning

Succession planning is an essential component to the survival and growth of any business. It is a tool for an organization to ensure its continued effective performance through leadership continuity. A good succession-planning program aims to identify high growth individuals and train them to ensure continuity and smooth functioning of the organization. The Company has an effective mechanism for succession planning which focuses on orderly succession of Directors, Chief Executive Officer, senior management and other executive officers. The Nomination and Remuneration Committee oversees the implementation of this mechanism in concurrence with the Board.

Performance evaluation and criteria

The Company has devised a formal process for annual evaluation of performance of the Board, its Committees and Individual Directors. It covers the areas relevant to the functioning as an Independent Director or other director, member of Board or Committee of the Board.

The Independent Directors of the Company reviewed the performance of Non- Independent Directors, the Board as a whole, its Committees and that of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. The Nomination & Remuneration Committee carried out evaluation of every director's performance.

The Board evaluated its own performance and that of its Committees. The individual performance of all Directors (including the Independent Directors) was also carried out by the entire Board without the presence and participation of the Director being evaluated.

All evaluations were carried out through structured questionnaires designed specifically for the Board/ Committees/ Individual Directors covering inter-alia the following parameters and criteria-

a **Board Evaluation-**

- Development of suitable strategies and business plans at appropriate time and its effectiveness;
- Implementation of robust policies and procedures;
- Size, structure and expertise of the Board;
- Oversight of the Financial Reporting Process, including Internal Controls;
- Willingness to spend time and effort to learn about the Company and its business; and
- Awareness about the latest developments in the areas such as corporate governance framework, financial reporting, industry and market conditions.

b **Board Committee Evaluation-**

- Committee composition, culture and dynamics
- Independence of working
- collective judgment and contribution to Board decisions.
- Fulfillment of key responsibilities

c **Individual Director Evaluation (including IDs)-**

- Leadership & stewardship abilities
- Participation and constructive contribution at Board / Committee meetings.
- Communication of expectations and concerns
- Identification and mitigation of corporate risks
- Assessment of policies, structures & procedures
- Adherence to ethical standards and code of conduct of Company

Besides this, the Independent Directors were additionally evaluated on the basis of effective deployment of their knowledge and expertise and independence of behaviour and judgment.

Information regarding the directors seeking appointment/ reappointment

Resume and other information as required under Regulation 36 of the Listing Regulations in respect of Directors retiring by rotation and seeking appointment / re-appointment has been included in the Notice convening the ensuing Annual General Meeting and in the Statement pursuant to Section 102 of the Companies Act, 2013.

Changes in Directorships during the financial year 2017-18 and thereafter.

Based on recommendations of the Nomination and Remuneration Committee, Sri Debanjan Mandal and Sri Sunil Mitra were appointed as an Additional Directors in the Independent category with effect from 1st August, 2017 and 3rd August, 2017 respectively for a term upto to 31st July, 2020. Their respective appointments were confirmed by the shareholders at the previous Annual General Meeting held on 1st September, 2017. Sri Manindra Nath Banerjee and Sri Samarendra Mitra resigned from the directorship of the Company with effect from 2nd August, 2017 and 3rd August, 2017 respectively.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 5th February, 2018 reappointed, subject to the approval of the shareholders, Sri Prem Kumar Bhajanka and Shri Vishnu Khemani as the Managing Directors of the Company for a further period of five years with effect from 1st August, 2018.

3. DIRECTORS' RESPONSIBILITIES

The Board's primary responsibility is one of stewardship and trusteeship on behalf of stakeholders, ensuring that the Company remains viable and effective both in the present and in future. The Board ensures the organisation has a secure long term future by establishing the organisation's strategic direction and priorities, interacting with key stakeholders to inform them of achievements and ensuring that they have adequate input for determining strategic goals and direction. The Board regularly scans the external operating environment to ensure that the organisation's strategic direction remains both appropriate and achievable. It monitors organisational performance and evaluates the achievement of the strategic and business plans and annual budget outcomes and reports back to the stakeholders.

The Board is responsible for establishing the policy framework for governing the organisation from which all operational policies and actions are developed. It ensures that the organisation has appropriate corporate governance structures in place including standards of ethical behaviour and promotes a culture of corporate and social responsibility. The Board also ensures Company's compliance with the applicable laws and with the Company's own policies. It assesses the risks facing the organisation, establishes a risk management plan and monitors compliance and evaluates the effectiveness of the Board. Directors are expected to attend Board meetings, meetings of Committees on which they serve and the General Meeting of shareholders and devote the time needed to discharge their responsibilities properly.

4. ROLE OF COMPANY SECRETARY IN GOVERNANCE AND COMPLIANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. Providing support goes beyond scheduling meetings to proactively managing the agenda and ensuring the presentation of high quality up-to-date information in advance of meetings. The role of the Company Secretary has increased manifold post the enactment of Companies Act, 2013. Even the Board understands that the Company Secretary is a "go-to" person to respond to any queries. He is the first point of contact for shareholders, whereof he deals with queries, payments of dividends, and management and procedure for general meetings and also for the non-executive directors by providing induction, ongoing support and guidance.

Developing and implementing processes to promote sustain good corporate governance has fallen largely within the ambits of the Company Secretary. He is also the interface between the management and regulatory authorities for governance matters. The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary attends all the meetings of the Board and its Committees and ensures appropriate recording of minutes of the meetings.

5. COMPLIANCE

The Company Secretary is responsible for ensuring compliance with applicable statutory requirements and regulations, primarily the Companies Act, 2013 read with the rules thereunder and Listing Regulations. The Company Secretary establishes and regularly monitors the compliance mechanism in place to carry out effective and timely compliance of relevant laws, rules and regulations. In accordance with Section 205 of the Companies Act, 2013, the Company Secretary reports to the Board regarding compliance with the provisions of the Companies Act, 2013, the rules made thereunder and other laws applicable to the Company. The Company Secretary also coordinates with Stock Exchanges and Depositories to ensure compliance with their Rules, Regulations and other directives. All Directors of the Company have access to the advice and services of the Company Secretary. Based on the reports and certificates, a certificate of statutory compliances duly signed by the CEO & Managing Director and CFO is also placed before the Board at its meetings held during the year under review.

The Board of Directors reviews the compliance reports of the laws applicable to the Company as well as instances of non – compliances, if any, together with their possible impact on the Company's business. A strict Internal Audit system is also in place to monitor and certify the compliance system.

6. COMMITTEES OF THE BOARD

The Company's Board has constituted Committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its terms of reference which defines its scope and powers. Committees undertake a detailed review of items within the framework of delegated authority before it is placed before the Board for its consideration. All decisions and recommendations of the Committees are placed before the Board for information or approval, as required.

Currently, the Board has six Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Share Transfer Committee, Corporate Social Responsibility Committee and Finance Committee.

Audit Committee

The Audit Committee plays a pivotal role in reviewing the Company's financial information, audit and accounting matters, internal controls measures, related party transactions, functioning of whistle blower mechanism, evaluation of internal financial controls and risk management systems and policies.

It oversees the Management's financial reporting process to ensure accurate and timely disclosures with the highest level of transparency, integrity and quality of financial reporting. The Audit Committee is a central pillar of effective corporate governance and is in the best position to offer effective oversight of the performance, independence and objectivity of the auditor and the quality of the audit. The Audit Committee is empowered to investigate any activity within its terms of reference, seek information from any employee, obtain external legal or other professional advice and secure attendance of outsiders with relevant expertise, if required.

Terms of reference

Terms of reference of the Audit Committee are in line with the guidelines set out in Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and includes the following:

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

  a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report;

  b. Changes, if any, in accounting policies and practices and reasons for the same;

  c. Major accounting entries involving estimates based on the exercise of judgment by management;

  d. Significant adjustments made in the financial statements arising out of audit findings;

  e. Compliance with listing and other legal requirements relating to financial statements;

  f. Disclosure of any related party transactions;

  g. Modified opinion(s) in the draft audit report.

v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

vi. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

vii. Review and monitor the auditor's independence and performance and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions of the Company with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Valuation of undertakings or assets of the Company, wherever it is necessary;

xi. Evaluation of internal financial controls and risk management systems;

xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. Discussion with internal auditors of any significant findings and follow up thereon;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, audit observations as well as post-audit discussion to ascertain any area of concern;

xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii. To review the functioning of the Whistle Blower mechanism;

xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background, etc. of the candidate.

Composition

The Audit Committee comprises of the following members:

Sl.	Name	Category	Position
1	Sri Mangi Lal Jain	Non-Executive Independent	Chairman
2	Sri Santanu Ray	Non-Executive Independent	Member
3	Sri Samarendra Mitra (till 02.08.2017)	Non-Executive Independent	Member
4	Smt. Mamta Binani (w.e.f. 03.08.2017)	Non-Executive Independent	Member
5	Sri Hari Prasad Agarwal	Executive non-Independent	Member

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of Listing Regulations. During the year, the Audit Committee was re-constituted with the appointment of Smt. Mamta Binani, Independent Non-Executive in place of Sri Samarendra Mitra, who resigned as Director with effect from 3rd August, 2017. All Members of the Audit Committee are financially literate and have accounting or related financial management expertise. Sri Mangi Lal Jain and Sri Santanu Ray are both fellow members of the Institute of Chartered Accountants of India while Smt. Mamta Binani is a fellow member of the Institute of Company Secretaries.

Meetings and Attendance

Four meetings of the Audit Committee were held during the financial year ended 31st March, 2018 with maximum gap between two consecutive meetings not exceeding 120 days. These meetings were held on 23rd May, 2017, 1st August, 2017, 30th October, 2017 and 5th February, 2018.

Attendance of Members at the Audit Committee Meetings held during 2017-18

Sl.	Name	No. of meetings attended
1	Sri Mangi Lal Jain	4 (out of 4)
2	Sri Santanu Ray	4 (out of 4)
3	Sri Samarendra Mitra (till 02.08.2017)	2 (out of 2)
4	Smt. Mamta Binani (w.e.f. 03.08.2017)	2 (out of 2)
5	Sri Hari Prasad Agarwal	4 (out of 4)

The meetings of Audit Committee are also attended by the Chief Executive Officer, Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees. The Committee also invites senior executives, as it considers appropriate, to be present at the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee. Sri Mangi Lal Jain, Chairman of the Audit Committee was also present at the last Annual General Meeting.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee reviews, acts on and reports to the Board of Directors with respect to various nomination and compensation matters. It recommends to the Board the appointment, re-appointment, remuneration and removal of Independent, Executive and Non-Executive Directors.

Several policies of the Company focusing mainly on human resource, succession planning, Board Diversity and remuneration proposal are overseen by this Committee. The Committee also formulates criteria and specifies the manner for effective evaluation of performance of Board, its Committees and individual Directors.

Terms of reference

Terms of reference of the Nomination and Remuneration Committee includes the following:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

ii. Formulation of criteria for evaluation of performance of Directors and also carrying out of such evaluation.

iii. Devising a policy on Board diversity;

iv. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

v. Recommending/ reviewing remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria

vi. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

Composition

The Nomination and Remuneration Committee comprises of the following three members:

Sl.	Name	Category	Position
1	Sri Mangi Lal Jain	Non-Executive Independent	Chairman
2	Sri Santanu Ray	Non-Executive Independent	Member
3	Smt. Mamta Binani	Non-Executive Independent	Member

The composition of Nomination and Remuneration Committee conforms to the regulatory requirements mandated by Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

The Nomination and Remuneration Committee met three times during the financial year ended 31st March, 2018. These meetings were held on 1st August, 2017, 30th October, 2017 and 5th February, 2018.

Attendance of Members at the Nomination and Remuneration Committee Meetings held during 2017-18

Sl.	Name	No. of meetings attended
1	Sri Mangi Lal Jain	3 (out of 3)
2	Sri Santanu Ray	3 (out of 3)
3	Smt. Mamta Binani	3 (out of 3)

Remuneration policy

The Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower by offering appropriate remuneration packages and benefits. The Policy emphasize on promoting talent and ensuring long term sustainability of talented managerial persons by creating competitive advantage. The Remuneration Policy, therefore, is market-led and takes into account the competitive circumstance of the Company's business so as to attract and retain quality talent and leverage performance significantly. The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically.

Remuneration of Executive and Non-executive Directors is determined by the Board, on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the Shareholders, where required. The remuneration of Directors, Key Managerial Personnel and all other employees is based on competency, contribution and commitment demonstrated by them towards the Company.

The remuneration paid to Executive Directors is determined keeping in view the responsibilities entrusted, time and effort involved besides also considering the industry benchmark and the relative performance of the Company to the industry performance. During the year, the Board, on recommendation of the Nomination and Remuneration Committee and subject to approval of the members, approved inclusion of variable pay in the form of commission on net profit for the Executive Directors. The commission payable to the Executive Directors would also be based on the performance and reasonable ascertainment of the profitability of the units/ divisions being looked after by them respectively besides the Company's overall performance and profitability.

Independent Non-Executive Directors, on the other hand, are eligible for sitting fees and commission not exceeding the limits prescribed under the Companies Act, 2013. Based on recommendations of the Nomination and Remuneration Committee, the Board of Directors decides the remuneration payable to Non- Executive Directors within the overall limits approved by the Members of the Company. The Independent Directors of the Company are not entitled to participate in Stock Option Scheme, if any, introduced by the Company.

The Company's Remuneration Policy has been included elsewhere in this Report as an Annexure to the Directors Report. The complete Remuneration Policy is also available on our website at http://www.centuryply.com/investor/codes&policies/remuneration-policy.pdf.

Criteria for making payments to Non-executive Directors

With changes in the Corporate Governance norms brought by new legislative enactments and statutes, the role of Non - Executive Directors particularly the Independent Directors and the degree and quality of their engagement with the Board and the Company has undergone significant changes. They bring in external and wider perspective to the deliberations and decision-making by the Board. The Company is being hugely benefited from their expertise, advice and inputs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company from time to time.

The Company believes that the remuneration paid to its Non- executive Independent Directors should be reflective of the size of the Company and complexity of the sector/ industry/ Company's operations and should be consistent with recognised best practices. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperative.

Contribution of the Non-Executive Directors in Board and Committee Meetings, time devoted by them, participation in strategic decision making, timely guidance to the Board on important policy matters of the Company, performance of the Company and industry practices and benchmarks forms the main criteria for determining payments to Non-Executive Directors.

Criteria for making payments to Non-executive Directors is also available on the website of the Company and can be accessed at: http://www.centuryply.com/investor/codes&policies/criteria-for-making-payments-to-NEDs.pdf

Pecuniary relationship of Non-Executive Directors

No pecuniary transactions have been entered into by the Company with any of the Non-Executive Directors of the Company during the year except the payment of sitting fees and commission to them and reimbursement of their travelling expenses for the purpose of attending Board/ Committee meetings.

- **Sitting fees**

Non-Executive Directors are paid a sitting fee of ₹50,000/- for each Board meeting and ₹25,000/- for each Committee meeting attended by them. During FY 2017-18, sitting fee payable to each non-executive Director for attending Board meetings was increased from ₹40,000 to ₹50,000 and that for attending Committee meetings was increased from ₹20,000 to ₹25,000. The fee has been decided taking into consideration the extent of business transacted at various meetings.

- **Commission**

The Non-Executive Directors of the Company are paid commission on an annual basis based on the recommendation of Nomination and Remuneration Committee and approval of the Board in accordance with Nomination and Remuneration Policy and within the approved statutory limit of the 1% of the net profits of the Company prescribed in Section 197 of the Companies Act, 2013 read with Rules thereto. Presently a sum of ₹3,00,000 is paid to each Non-Executive Directors as commission. The same was increased from ₹2,00,000 to ₹3,00,000 during FY 2017-18.

Details of remuneration paid to Directors during the financial year 2017-18

Sl.	Name of the Director	Designation & Service contract	Salary (₹)	Sitting Fee (₹)	Commission (₹)	No. of shares held as on 31.03.2018
Executive Directors:						
1.	Sri Sajjan Bhajanka	Chairman & Managing Director up to 31.03.2021	1,20,00,000	Nil	Nil	25032954
2.	Sri Hari Prasad Agarwal	Vice-chairman & Executive Director up to 31.05.2022	60,00,000	Nil	Nil	2435760
3.	Sri Sanjay Agarwal	CEO & Managing Director up to 30.06.2021	1,20,00,000	Nil	Nil	24150124
4.	Sri Prem Kumar Bhajanka	Managing Director up to 31.07.2023*	1,20,00,000	Nil	Nil	4636997
5.	Sri Vishnu Khemani	Managing Director up to 31.07.2023*	1,20,00,000	Nil	Nil	12609646
6.	Sri Keshav Bhajanka	Executive Director up to 27.01.2021	50,00,000	Nil	Nil	500000
7.	Sri Ajay Baldawa	Executive Director up to 30.06.2021	1,10,50,000	Nil	Nil	75000
8.	Smt. Nikita Bansal	Executive Director up to 31.01.2022	24,00,000	Nil	Nil	50000
Non-executive Directors:						
1.	Sri Mangi Lal Jain	Independent Director up to 31.03.2019	--	3,90,000	3,00,000	6450
2.	Sri Santanu Ray	Independent Director up to 31.03.2019	--	3,70,000	3,00,000	Nil
3.	Sri Asit Pal	Independent Director up to 31.03.2019	--	2,20,000	3,00,000	Nil

Sl.	Name of the Director	Designation & Service contract	Salary (₹)	Sitting Fee (₹)	Commission (₹)	No. of shares held as on 31.03.2018
4.	Smt. Mamta Binani	Independent Director up to 31.03.2019	--	3,70,000	3,00,000	Nil
5.	Sri J. P. Dua	Independent Director up to 31.03.2019	--	2,20,000	3,00,000	Nil
6.	Sri Vijay Chhibber	Independent Director up to 31.01.2020	--	1,20,000	3,00,000	Nil
7.	Sri Debanjan Mandal**	Independent Director up to 31.07.2020	--	90,000	3,00,000	Nil
8.	Sri Sunil Mitra**	Independent Director up to 31.07.2020	--	1,40,000	3,00,000	Nil
9.	Sri Manindra Nath Banerjee	Independent Director up to 31.03.2019#	--	80,000	66,667	Nil
10.	Sri Samarendra Mitra	Independent Director up to 31.03.2019#	--	1,20,000	66,667	Nil

* *subject to regularization/ approval of the shareholders*

** *Sri Debanjan Mandal and Sri Sunil Mitra were appointed as Additional Directors w.e.f. 1st August, 2017 and 3rd August, 2017 respectively*

\# *Sri Manindra Nath Banerjee and Sri Samarendra Mitra resigned from Directorship of the Company w.e.f. 2nd August, 2017 and 3rd August, 2017 respectively.*

Service Contracts, Severance Fee, Notice Period and Stock Options

The appointment of the Executive Directors is governed by resolutions passed by the Nomination and Remuneration Committee, Board of Directors and the Shareholders of the Company, the Service Contracts entered in to with them and the Remuneration Policy of the Company all of which covers the terms and conditions of such appointment. There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors. A notice of three months is required to be given by a Director seeking to vacate office and the resignation takes effect upon the expiration of the notice or its earlier acceptance by the Board.

Formal appointment letters are issued to Independent Directors. As required by Regulation 46 of the Listing Regulations, the terms and conditions of appointment of Independent Directors is available on the Company's website and can be accessed at http://www.centuryply.com/investor/investor-information/terms-conditions-of-appointment-of-independent-director.pdf.

The Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any Executive and/or Non-Executive Director. During the year under review, none of the Director was paid any bonus, pension or performance-linked incentive.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee oversees redressal of shareholders/ investors grievances and complaints, reviews the service standards of the Registrar and Share Transfer Agent of the Company and suggests measures for improving the same.

Terms of reference

Terms of reference of the Stakeholders Relationship Committee includes the following:

i. Investor relations and redressal of shareholders grievances in general;

ii. Evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company;

iii. Provide guidance and make recommendations to improve investor service levels for the investors.

Composition

The Stakeholders Relationship Committee has been constituted in conformity with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 of Listing Regulations. It comprises of the following two members:

Sl.	Name	Category	Position
1	Smt. Mamta Binani	Non-Executive Independent	Chairperson
2	Sri Hari Prasad Agarwal	Executive Non-Independent	Member

The Company Secretary acts as Secretary to the Stakeholders Relationship Committee.

Meetings and Attendance

During the year, one meeting of the Stakeholders Relationship Committee was held on 23rd May, 2017 and was attended by both the members.

Compliance Officer and status of pending complaints

Sri Sundeep Jhunjhunwala, Company Secretary is the Compliance Officer of the Company for attending to Complaints/Grievances of the members. During the financial year ended 31st March, 2018, the Company received eight complaints from shareholders and all of them were resolved to their satisfaction. There was no complaint pending at the beginning and at the close of the financial year. No complaint was received through SCORES, the web based complaint redressal system of SEBI.

Share Transfer Committee

The Share Transfer Committee carries out procedural matters and inter alia, approves transfer and transmission of shares, sub-division / consolidation / renewal / issue of duplicate share certificates and other allied matters. The Committee has also been entrusted with the responsibility of issuing share certificates as required for the purpose of complying with the procedure specified under Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto.

Terms of reference

Terms of reference of the Share Transfer Committee includes the following:

i. Oversee, review and approve all matters connected with transfer, transmission, split, consolidation, rematerialisation, etc.;

ii. Issue of duplicate share certificates in lieu of share certificates lost, defaced or destroyed;

iii. Issue of share certificates on rematerialisation;

iv. Issue of new share certificates consequent upon split/ consolidation of existing ones;

v. Cancellation of share certificates in compliance with the applicable provisions.

Composition

The Share Transfer Committee presently comprises of the following members:

Sl.	Name	Category	Position
1	Sri Hari Prasad Agarwal	Executive Non-Independent	Chairman
2	Sri Keshav Bhajanka	Executive Non-Independent	Member
3	Sri Ajay Baldawa	Executive Non-Independent	Member

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

The Share Transfer Committee met twelve times during the financial year ended 31st March, 2018 . These meetings were held on 6th April, 2017, 4th May, 2017, 23rd May, 2017, 2nd June, 2017, 21st June, 2017, 1st August, 2017, 18th September, 2017, 1st November, 2017, 18th November, 2017, 21st November, 2017, 19th December, 2017 and 16th January, 2018.

Attendance of Members at the Share Transfer Committee Meetings held during 2017-18

Sl.	Name	No. of meetings attended
1	Sri Hari Prasad Agarwal	12 (out of 12)
2	Sri Keshav Bhajanka	11(out of 12)
3	Sri Ajay Baldawa	12 (out of 12)

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee has been formed to assist the Board and the Company in fulfilling its CSR objectives. The Committee has overall responsibility for identifying the areas of CSR activities, ascertaining and recommending the amount of expenditure to be incurred on the identified CSR activities; implementing and monitoring the CSR policy from time to time and overseeing implementation of the CSR programs of the Company. The Committee seeks to guide the Company in integrating its social and environmental objectives with its business strategies and assists in crafting unique models to support creation of sustainable livelihoods. The Committee formulates & monitors the CSR Policy and recommends to the Board the annual CSR Plan.

Terms of reference:

Terms of reference of the Corporate Social Responsibility Committee includes the following:

i. To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy and any amendments thereof, indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;

ii. To recommend the amount of expenditure to be incurred on the CSR activities as per CSR Policy;

iii. To monitor the CSR Policy of the Company from time to time;

iv. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;

v. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable with respect to Corporate Social Responsibility or as may be necessary or appropriate for implementing the Company's policies thereunder.

Composition

The Corporate Social Responsibility Committee has been constituted in line with the provisions of Section 135 of the Companies Act, 2013 and comprises of the following four members:

Sl.	Name	Category	Position
1	Sri Sajjan Bhajanka	Executive Non-Independent	Chairman
2	Sri Hari Prasad Agarwal	Executive Non-Independent	Member
3	Sri Mangi Lal Jain	Non-Executive Independent	Member
4	Smt. Mamta Binani	Non-Executive Independent	Member

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

During the year, one meeting of the Corporate Social Responsibility Committee was held on 23rd May, 2017 and was attended by all the four members.

Finance Committee

The Finance Committee deals with the day to day matters within the terms of reference defined by the Board and ensures their expeditious implementation.

Terms of reference:

Terms of reference of the Finance Committee includes the following:

i. To approve the opening of and modification in operation of bank accounts, including closure thereof.

ii. Borrow money by way of loan (including foreign currency loans) in or outside India for the purpose of financing new projects, refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments and take necessary actions connected therewith.

iii. Provide corporate guarantee/performance guarantee from the Company for credit facilities availed by its subsidiaries or by any other entity.

iv. Approve establishment and operation of representative/ sales / branch offices in or outside India.

v. Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

vi. Review and consideration of periodical budgets of the Company and approval of capital expenditures

vii. Authorise and empower executives and/or authorised representatives in all matters relating to business operations, direct and indirect taxes, commercial taxes, municipal taxes, import and export, customs, port trust, provident fund, ESI, electricity and other utilities and all legal matters of the Company and approve execution of Power of Attorney, as may be required, for this purpose.

viii. Opening, modification and closure of trading and demat accounts required for securities, derivatives and all other Options.

ix. Consideration of matters relating to participation in bids/ tenders/ expression of interest and all other business alliances and joint ventures, among others, if any.

x. Monitoring of loans and advances granted by the Company as approved by the Board of Directors from time to time.

xi. Undertake and enter into Foreign Exchange Transactions and to transact in Derivative Products including Currency Options, buy and sell Spot and Forward, convert Rupee Liabilities into Foreign Currency Liabilities to hedge Currency and Interest Rate Risks/Fluctuations in respect of the Company's Export and Import Contracts, Foreign Currency Loans and other Foreign Currency related matters as permitted by Reserve Bank of India from time to time.

xii. Approve availing of online banking facilities in all forms including but not limited to viewing rights, transaction rights, application for Letters of Credit, Bank Guarantees, Buyers Credit and carry out all trade related transactions through internet.

xiii. Avail Bill Collection, Bill Payment, Cash Management Services and Financial Intermediary services in all forms and from any Bank.

xiv. Take decisions in connection with any arrangement, document or matter necessary, ancillary, incidental or desirable to give effect to all its powers and authority.

xv. Any other financial issues or other matters, whether out of and incidental to these functions or not, as may be assigned by the Board.

xvi. Delegate authorities from time to time to the executives, officers and other authorised persons to implement the Committee's decisions.

xvii. Authorise Directors, Officers and other Authorised Persons for execution of necessary documents and affixing Common Seal of the Company, as may be required for implementing decisions taken by the Board or any Committee thereof.

Composition

The Finance Committee comprises of the following three members:

Sl.	Name	Category	Position
1	Sri Sajjan Bhajanka	Executive Non-Independent	Chairman
2	Sri Sanjay Agarwal	Executive Non-Independent	Member
3	Sri Hari Prasad Agarwal	Executive Non-Independent	Member

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

The Finance Committee met six times during the financial year ended 31st March, 2018. These meetings were held on 19th May, 2017, 2nd August, 2017, 18th September, 2017, 30th October, 2017, 5th February, 2018 and 8th March, 2018.

Attendance of Finance Committee Members at the Finance Meetings held during 2017-18

Sl.	Name	No. of meetings attended
1	Sri Sajjan Bhajanka	6 (out of 6)
2	Sri Hari Prasad Agarwal	6 (out of 6)
3	Sri Sanjay Agarwal	6 (out of 6)

7. GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings:

AGM	Year ended	Venue	Date	Time
34th	31.03.2015	Indian Chamber of Commerce Auditorium, 10th Floor, 4, India Exchange Place, Kolkata- 700 001	27.08.2015	11-00 AM
35th	31.03.2016	Gyan Manch, 11 Pretoria Street, Kolkata- 700 071	31.08.2016	11-00 AM
36th	31.03.2017	Satyajit Ray Auditorium, Indian Council for Cultural Relations, 9A, Ho Chi Minh Sarani, Kolkata- 700071	01.09.2017	11-00 AM

Details of Special Resolutions passed in last three Annual General Meetings:

AGM	Date	Subject Matter
34th	27.08.2015	None
35th	31.08.2016	None
36th	01.09.2017	Re-appointment of Sri Hari Prasad Agarwal (DIN: 00266005), as Vice-Chairman and Executive Director of the Company.

Extra Ordinary General Meeting and Postal Ballot

During the financial year ended 31st March, 2018, no Extra Ordinary General Meeting was convened nor was any approval of the shareholders obtained through Postal Ballot.

None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of resolution through postal ballot.

8. DISCLOSURES

- All related party transactions that were entered into during the financial year were at an arm's length basis and were in the ordinary course of business. There were no materially significant transactions, financial or commercial, between the Company and members of the Management that may have a potential conflict with the interest of the Company at large. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, commitment of supply, quality standards, specialisation and the Company's long-term strategy for sectoral investments, liquidity and capital resources.

  All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters. The Register of Contracts containing transactions in which the Directors are interested, is placed before the Board regularly.

  Transactions with related parties, as per requirements of Indian Accounting Standard 24, are disclosed in notes to accounts annexed to the financial statements.

  The Company has framed a 'Policy on Materiality of and Dealing with Related Party Transactions' as required under Regulation 23 of the Listing Regulations and the same is disclosed on the Company's website at: http://www.centuryply.com/investor/ codes&policies/policy-for-transactions-with-related-parties.pdf.

- During the year ended 31st March, 2018, the Company did not have any material listed/unlisted subsidiary company as defined in Regulation 16 of the Listing Regulations.
- During the last 3 (Three) years, there were no strictures or penalties imposed by either Stock Exchanges or Securities and Exchange Board of India (SEBI) or any statutory authority for non-compliance of any matter related to the capital markets.
- The Directors of the Company are not related inter-se, except for Sri Keshav Bhajanka who is the son of Sri Sajjan

Bhajanka, Chairman and Managing Director and Smt. Nikita Bansal, who is the daughter of Sri Sanjay Agarwal, CEO & Managing Director.

- During the year under review, the Company has not raised any money through an issue (public, rights, preferential, etc.)
- The Company has complied with all relevant Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 while preparing the financial statements.
- The Company confirms compliance with the requirements under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- The Company has complied with Secretarial Standards on Board Meetings and General Meeting.
- The status of compliance with discretionary requirements specified in Part E of Schedule II of the Listing Regulations is provided below:

a) **Non-Executive Chairman's Office:** The Company has an Executive Chairman and his office is maintained by the Chairman himself.

b) **Shareholders' Rights:** As the quarterly, half yearly and annual results of the Company along with significant events are published in the newspapers and also posted on the Company's website, the same are not being sent individually to the shareholders.

c) **Modified Opinion in Audit Report:** The Company's financial statement for the year ended 31st March, 2018 does not contain any modified audit opinion. The Company always endeavours to present unmodified financial statements.

d) **Separate posts of Chairman and CEO:** The positions of Chairman and Chief Executive Officer (CEO) are separate. The Chairman of the Company is an Executive Director and his position is separate from that of the Chief Executive Officer.

e) **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee. He is a permanent invitee to the Audit Committee Meetings and regularly attends the Meetings for reporting audit findings to the Audit Committee.

Whistle Blower Policy/ Vigil Mechanism

The Company has framed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. This policy serves as a channel for receiving and redressing employees' complaints. The same is discussed elsewhere in this Annual Report. During the financial year ended 31st March, 2018, no personnel were denied access to the Audit Committee for reporting cases under this policy.

Code of Conduct

The Code of Conduct for Directors and Senior Management Executives ("the Code") formulated and adopted by the Company, in line with its values and beliefs is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) including all functional heads of the Company and the same has been posted on the Company's website at http://www.centuryply.com/investor/codes&policies/code-of-conduct-for-directors-and-senior-management-executives.pdf.

The Code of Conduct defines what the Company expects of its businesses and people regardless of the location or background. It is aligned with our values, group standards and legal requirements, and clarifies the ethics and compliance expectations for everyone who works with the Company. The Code reflects a value-based approach, where rules are not stated explicitly and day-to-day business decisions would continue to be guided by our values. The Code covers the Company's commitment to corporate social responsibility and sustainable development, concern for occupational health, safety and environment, a gender friendly workplace, transparency, auditability and legal compliance.

The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Board members and Senior Management Personnel have affirmed their compliance with the Code of Conduct as on 31st March, 2018 and a declaration to that effect, signed by the Chief Executive Officer (CEO) and Managing Director is given hereunder:

> I hereby confirm that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed their compliance with the Company's Code of Conduct for the financial year 2017-18.
>
> **Sanjay Agarwal**
> *CEO & Managing Director*
> Kolkata, 24th July, 2018

Code for Prevention of Insider Trading

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the same is available on the Company's website at http://www.centuryply.com/investor/codes&policies/code-of-conduct-to-regulate-monitor-and-report-trading-by-insiders.pdf.

Sri Sundeep Jhunjhunwala, Company Secretary is the Compliance Officer for monitoring adherence to the

Regulations for the preservation of price sensitive information, pre-clearance of trades and implementation of the Code.

Code for fair disclosure

Pursuant to Regulation 8 read with Schedule A of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which lays down principles and practices to be followed by the Company pertaining to universal disclosure of UPSI. The said Code is available on the Company's website at http://www.centuryply.com/investor/codes&policies/code-of-practices-and-procedures-for-fair-disclosures-of-unpublished-price-sensitive-information.pdf.

Policy for determining 'material' subsidiaries

The Company has framed a policy for determining material subsidiary as required under Regulation 16 of the Listing Regulations and the same is disclosed on the Company's website at http://www.centuryply.com/investor/codes&policies/policy-on-material-subsidiary.pdf. The policy lays down the criteria for identification of and dealing with material subsidiaries and also prescribes a the a. A detailed note on the Policy has been included elsewhere in this Annual Report.

Policy on Materiality of and Dealing with Related Party Transactions

The Board of your Company has adopted a 'Policy on Materiality of and Dealing with Related Party Transactions' in conformity with the requirements of Regulation 23(1) of the Listing Regulations and also to comply with the provisions of Section 188 of the Companies Act, 2013 and the same is available on the Company's website at http://www.centuryply.com/investor/codes&policies/policy-for-transactions-with-related-parties.pdf.

The Policy is designed to govern the transparency of approval process and disclosures requirements to ensure fairness in the conduct of related party transactions. This policy specifically deals with the review and approval of material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. Prior approval of Audit Committee is obtained for all Related Party Transactions, wherever applicable, except for the Related Party Transactions for which omnibus approval has been granted by the Audit Committee from time to time. All Related Party Transactions are placed before the Audit Committee for review and approval.

Appointment of Independent Directors

The Nomination and Remuneration Committee, while recommending appointment of Independent Directors, satisfies itself with regard to the independence of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions and duties effectively.

It also ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013. In case of re-appointment of Independent Directors, the Board takes into consideration the performance evaluation of the Independent Directors and their engagement level.

The Company issues letter of appointment to all Independent Directors in the manner as provided in the Companies Act, 2013 and Regulation 25 of the Listing Regulations. The maximum tenure of Independent Directors has been fixed in accordance with the Companies Act, 2013 and rules made thereunder. The Code of conduct contains the duties of Independent Directors as laid down in Act. The terms and conditions of appointment have also been disclosed on the website of the Company at http://www.centuryply.com/investor/investor-information/terms-conditions-of-appointment-of-independent-director.pdf.

9. CEO AND CFO CERTIFICATION

A Certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee has been annexed separately in this report.

10. MEANS OF COMMUNICATION

The Company believes that timely disclosure of consistent, comparable, relevant and reliable information on corporate functioning is at the core of good governance. It therefore exercises utmost diligence while disseminating relevant information to our shareholders, analysts, employees and the society at large. The Company informs the Stock Exchanges in a prompt manner, all price sensitive information as well as all such other matters which in its opinion, are material and relevant for the shareholders.

- **Financial Results:** Quarterly, half-yearly and annual financial results of the Company are communicated to the Stock Exchanges immediately after they are considered by the Board and are published in prominent English newspaper having nation-wide circulation and in Bengali newspapers usually in The Economic Times, Business Standard, Business Line and Aajkaal. These results are also made available on the website of the Company www.centuryply.com.
- **Official news releases:** Official news releases and official media releases are sent to Stock Exchanges and are displayed on the Company's website.

- **Presentations to institutional investors/ analysts:** Pursuant to Para A of Part A of Schedule III read with Regulation 30 of Listing Regulations, schedule of analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional Investors are duly disclosed by the Company to the Stock Exchanges and the same are simultaneously disseminated on the Company's website www.centuryply.com pursuant to Regulation 46(2) of the said Regulations. No unpublished price sensitive information is discussed in presentation made to institutional investors and financial analysts.
- **Company Website:** The Company's website (www.centuryply.com) contains a separate dedicated section 'Investors' where information for the shareholders is available. The Company's Annual Report is also available in a user-friendly and downloadable form.
- **Annual Report:** The Annual Report containing, inter alia, Audited Financial Statements, Audited Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms a part of the Annual Report.
- **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on NEAPS.
- **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are also filed electronically on the Listing Centre.
- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- **Designated exclusive Email ID:** The Company has designated the following Email- ID exclusively for investor servicing: investors@centuryply.com.

11. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is set out in a separate section included in this Annual Report.

12. GENERAL SHAREHOLDER INFORMATION

Company Registration Details

The Company is registered in the State of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L20101WB1982PLC034435.

Annual General Meeting

Day & date	Friday, 14th September, 2018
Time	11.00 A.M.
Venue	Gyan Manch, 11 Pretoria Street, Kolkata – 700 071
Financial Year	2017-18
Book Closure dates	Saturday, 8th September, 2018 to Friday, 14th September, 2018 (both days inclusive)
Dividend Payment date	Within statutory period from date of passing of resolution at the Annual General Meeting.

Listing Details:

Name and Address of Stock Exchange	Stock Code
National Stock Exchange of India Ltd.(NSE) Exchange Plaza, Bandra- Kurla Complex, Bandra (East). Mumbai – 400 051	CENTURYPLY
BSE Ltd. (BSE) P J Towers, Dalal Street, Fort, Mumbai 400 001	532548
ISIN	INE348B01021

Payment of Listing Fees

Listing Fees for financial year 2017-18 & 2018-19 has been paid to NSE and BSE.

Payment of Depository Fees

Annual Custody/Issuer fee for the financial year 2017-18 & 2018-19 has been paid to NSDL and CDSL.

CENTURYPLY

Market Price Data :

Monthly high and low quotations as well as the volume of shares traded at BSE and NSE, where the shares are regularly traded, for the financial year 2017-18 are as follows:

Month	BSE			NSE		
	High ₹	Low ₹	Volume No. of Shares	High ₹	Low ₹	Volume No. of Shares
2017						
April	271.05	249.70	352252	270.70	263.25	4504822
May	271.00	239.50	575023	271.00	240.00	3846517
June	312.95	263.00	837237	314.00	262.85	7330559
July	306.00	277.85	434306	306.00	274.40	4609096
August	303.80	235.45	662502	303.00	235.45	8764189
September	260.00	236.10	581499	258.50	235.25	7126807
October	290.00	243.70	1962106	290.70	242.80	10571562
November	327.00	275.20	862807	326.00	277.00	7785103
December	348.50	302.65	1034919	348.20	302.00	6399745
2018						
January	363.00	312.70	532665	363.00	312.05	5434450
February	349.95	281.65	485476	339.70	284.60	6165504
March	337.05	305.25	3150051	337.15	304.10	3319781

Performance of Company's shares in comparison to BSE Sensex is as under:

Month	BSE Sensex		Company's Shares	
	Closing	% Change	Closing	% Change
2017				
April	29918.40	1.01	256.95	(0.85)
May	31145.80	4.10	265.05	3.15
June	30921.61	(0.72)	294.30	11.04
July	32514.94	5.15	295.15	0.29
August	31730.49	(2.41)	252.50	(14.45)
September	31283.72	(1.41)	248.60	(1.54)
October	33213.13	6.17	282.65	13.70
November	33149.35	(0.19)	316.50	11.98
December	34056.83	2.74	339.70	7.33
2018				
January	35965.02	5.60	320.50	(5.65)
February	34184.04	(4.95)	329.85	2.92
March	32968.68	(3.56)	326.50	(1.02)

Note : Figures within brackets indicate negative value

Registrar and Share Transfer Agent:

M/s. Maheshwari Datamatics Private Ltd.
23, R.N.Mukherjee Road,
5th Floor, Kolkata 700 001
Phone No. 033- 22435029/2248-2248
Fax : 033-22484787
Email : mdpldc@yahoo.com

Share Transfer System

In accordance with the requirements of Regulation 40(3) of Listing Regulations, the Company, on receipt of proper documentation, registers transfers of its securities in the name of the transferee(s) and issue certificates or receipts or advices, as applicable, of transfers; or issue any valid objection or intimation to the transferee or transferor, as the case may be, within a period of fifteen days from the date of such receipt of request for transfer.

The Share Transfer Committee meets regularly for approving share transfers, etc. A summary of the transfer, transmissions, dematerialisation, rematerialisation, etc. is placed before the Committee at every meeting. There are no legal cases relating to transfer of shares. The Company obtains half-yearly certificate from a Company Secretary in Practice on compliance regarding share transfer formalities and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of the Listing Regulations.

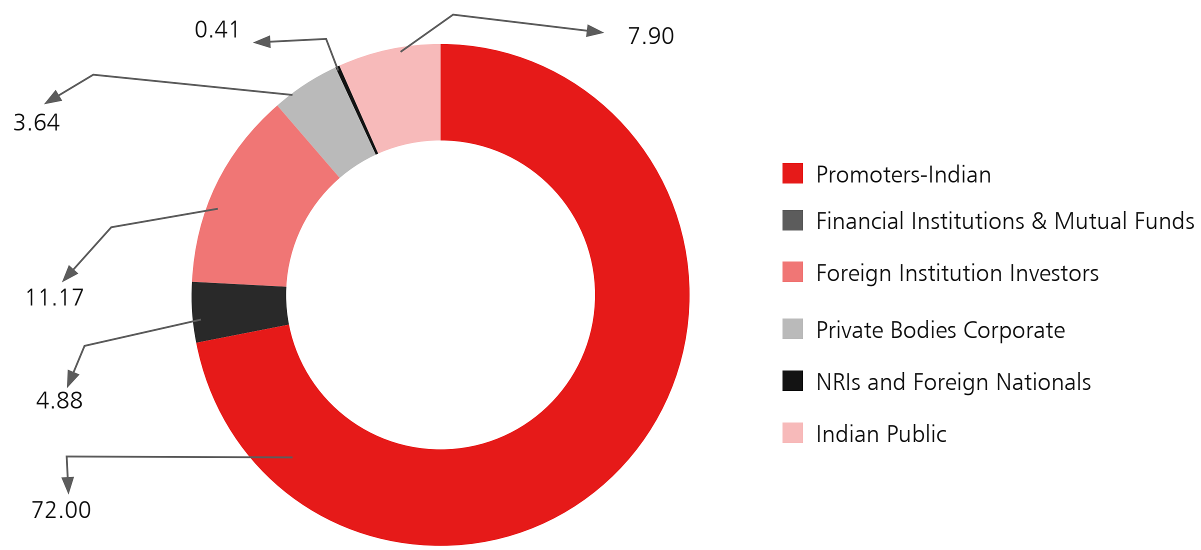
Reconciliation of Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), a qualified Company Secretary in Practice carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

Distribution of shareholding

Category	As on 31st March, 2018			
	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 - 500	39189	84.31	4163844	1.88
501 - 1000	4328	9.31	2993194	1.35
1001 - 2000	1429	3.07	2072410	0.93
2001 - 3000	497	1.07	1269025	0.57
3001 - 4000	208	0.45	734904	0.33
4001 - 5000	160	0.34	740832	0.33
5001 - 10000	292	0.63	2176092	0.98
Above 10000	379	0.82	208022689	93.63
TOTAL	46482	100.00	222172990	100.00

Shareholding pattern -Distribution by category



Category	As on 31st March, 2018	
	No. of Shares	% to Share Capital
Promoters- Indian	159953467	72.00
Financial Institutions & Mutual Funds	10848399	4.88
Foreign Institutional Investors	24827403	11.17
Private Bodies Corporate	8081099	3.64
NRIs & Foreign Nationals	908860	0.41
Indian Public	17553762	7.90
TOTAL	222172990	100.00

Dematerialisation of shares and liquidity

The Company's shares form part of the SEBI's compulsory demat segment for all shareholders/investors. Valid demat requests received by the Company's Registrar are confirmed within the statutory period. The Company's Registrars promptly intimates the concerned Depository Participant in the event of any deficiency and the shareholder is also kept abreast. Pending demat requests in the records of the Depositories, if any, are continually reviewed and appropriate action initiated.

Bifurcation of shares held in physical and demat form as on 31st March, 2018

Particulars	No. of Shares	% to Share Capital #
Physical	578637	0.26
Demat *		
NSDL (A)	191337288	86.12
CDSL (B)	30257065	13.62
TOTAL (A + B)	221594353	99.74
TOTAL	222172990	100.00

** includes entire Promoters' shareholding.*

 # does not include forfeited share capital

Transfer of Unclaimed dividend to Investor Education and Protection Fund (IEPF)

Dividends which remains unpaid/unclaimed for a period of Seven years from the date of transfer to the unpaid dividend account are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF). The Company regularly sends reminder letters through electronic and/or physical means to all those shareholders whose dividend are lying unpaid/unclaimed for any year/(s) during the last seven years indicating that the unclaimed amount will be transferred to the IEPF, if not claimed by the shareholders before the due date of transfer to the said Fund. Further, the details of dividend unclaimed by the Members for the past years which have not yet been transferred to IEPF are readily available for view by the Members on the website of the Company www.centuryply.com.

Unclaimed Shares

Details as required under Schedule V of the Listing Regulations, in respect of unclaimed shares transferred to the demat account, 'Century Plyboards (India) Limited- Unclaimed Shares Suspense Account', is as follows-

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 1st April, 2017	37	62750
Number of Shareholders and outstanding shares transferred to Unclaimed Suspense Account during the year	Nil	Nil
Number of shareholders who approached the Company for transfer of shares from Unclaimed suspense account during the year	3	10500
Number of shareholders to whom shares were transferred from suspense account during the year	3	10500
Number of Shareholders and outstanding shares transferred to IEPF Demat Account during the year	26	38000
Aggregate number of shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31st March, 2018	8	14250

Voting rights in respect of the aforesaid 14250 shares held in the Unclaimed Suspense Account will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned Shareholders / legal heirs.

Transfer of shares in respect of which dividend remained unclaimed/ unpaid for seven consecutive years or more

Section 124(6) of the Companies Act, 2013, read with Investor Education And Protection Fund Authority (Accounting, Audit, Transfer And Refund) Rules, 2016 ('IEPF Rules') requires that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the Investor Education and Protection Fund (ÏEPF).

Further, shares in respect of such dividends which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. The Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the

IEPF Authority, are uploaded in 'Transfer of shares to IEPF' section on the Company's website http://www.centuryply.com/investors.

During the year, in view of the above, the Company has transferred 61450 shares held by 299 shareholders to the demat account of IEPF authority. The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred.

Outstanding GDR/ ADR/ warrants or any convertible instruments, conversion date and likely impact on equity

The Company has never issued any GDR/ ADR/ warrants or any convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities:

Foreign currency exposure and its hedging:

The Company has following foreign exchange exposure in its books

a) Liability towards imports for purchases for goods and services.

b) Liability towards foreign currency loans such as Buyers Credit, Foreign Currency Term Loans, etc.

c) Forex exposure in terms of receivables against its exports made to various countries.

Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company uses forward exchange contracts to hedge against its foreign currency exposures.

Commodity price risk:

Commodities form a major part of the raw materials required for Company's Products portfolio and hence Commodity price risk is one of the important market risk for the Company. Your Company has mechanisms in place to ensure that the organisation is adequately protected from the market volatility in terms of price and availability. Presently, the Company does not hedge its exposure to commodity price risks.

Plant Locations

A	Veneer and Plywood	**Kolkata Unit** Kanchowki, Bishnupur, District: 24 Parganas (S), West Bengal	
		Chennai Unit Chinnappolapuram, Gummidipoondi, Tamil Nadu	
		Karnal Unit Rambha Road, Taraori, Haryana	
		Cent Ply and Purbanchal Timber Industries, (Guwahati Units) Mirza Palasbari Road, Kamrup, Assam	
		Kandla Unit Village Moti Chirai, Taluka Bhachau, Kachchh, Gujarat	
B	Particle Board	Chinnappolapuram, Gummidipoondi, Tamil Nadu	
C	MDF	Village Doulowal, Tehsil and District Hoshiarpur, Punjab	
D	Laminate	Kanchowki, Bishnupur, District:24 Parganas (S), West Bengal	
E	Logistics	Century Sonai CFS Block-B & C, Sonai, Khidderpore, Kolkata, West Bengal	Century Jinjira Pole CFS Hide Road, Brace Bridge, Khidderpore, Kolkata, West Bengal

Address for correspondence

Company Secretary & Compliance Officer
Century Plyboards (India) Limited
6, Lyons Range, Kolkata 700 001
Phone : 033-39403950 | Fax : 033-2248 3539
Email : sundeepj@centuryply.com
Website : www.centuryply.com
E Mail ID for Investors Grievances : investors@centuryply.com

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)
Chairman & Managing Director

Kolkata,24th July, 2018

CERTIFICATE ON CORPORATE GOVERNANCE REPORT OF CENTURY PLYBOARDS (INDIA) LIMITED

To
The Members,
Century Plyboards (India) Limited

We have examined the compliance of conditions of Corporate Governance by Century Plyboards (India) Limited (''the Company") for the year ended on 31st March, 2018, as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause and/or Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge, information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **MKB & Associates**
Company Secretaries
Manoj Kumar Banthia
(Partner)
ACS no. 11470
COP no. 7596
FRN: P2010WB042700

Date: 24th July, 2018
Place: Kolkata

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To
The Board of Directors
Century Plyboards (India) Ltd.
6, Lyons Range
Kolkata – 700 001

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Century plyboards (India) Limited ("the Company"), certify that:

a. We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2018 and to the best of our knowledge and belief, state that:
   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. To the best of our knowledge and belief, none of the transactions entered into by the Company during the year ended 31st March, 2018 are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated, wherever applicable, to the Auditors and Audit Committee:
   i) significant changes, if any, in the internal control over financial reporting during the year;
   ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
   iii) instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Sanjay Agarwal
CEO & Managing Director

Arun Kumar Julasaria
Chief Financial Officer

Kolkata, 16th May, 2018

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To,
THE MEMBERS OF
CENTURY PLYBOARDS (INDIA) LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of CENTURY PLYBOARDS (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

   In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

   We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative announcements issued by Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

5. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

8. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as stated in Note No. 33 (ii) to the financial statement;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 have not been made since they do not pertain to the financial year ended 31st March, 2018.

For Singhi & Co.,
Chartered Accountants
Firm's Registration No. 302049E

(Rajiv Singhi)
Partner
Membership No. 053518

Place: Kolkata
Date: 16th day of May, 2018

Annexure - A to the Independent Auditor's Report

(Referred to in paragraph 7 with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of Century Plyboards (India) Limited for the year ended 31st March, 2018)

We report that:

i. In respect of its fixed assets:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) As explained to us, fixed assets have been physically verified during the year by the management at reasonable intervals and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. As explained to us, inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such verification.

iii. The Company has granted unsecured loans to its certain subsidiaries during the year, which are covered in the register maintained under section 189 of the Act.

a) In our opinion, the rate of interest and other terms and conditions on which the loans were granted to above subsidiaries were not, prima facie, prejudicial to the interest of the Company.

b) The subsidiaries have been regular in the payment of the principal and interest as stipulated.

c) There are no overdue amounts in respect of the loan granted to the subsidiaries as at the balance sheet date.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments made and providing guarantees and securities, as applicable.

v. According to information and explanations given to us, the Company has not accepted any deposits from public during the year.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the product & services rendered by the Company.

vii. According to the information and explanations given to us and the records of the Company examined by us:

a) The Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, duty of customs, duty of excise, value added tax, goods & service Tax, cess and other statutory dues, as applicable, to the appropriate authorities.

There are no arrears in respect of the aforesaid dues as at 31st March, 2018 for a period of more than six months from the date they became payable.

b) The particulars of dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lac) 2016-17	Amount (₹ in Lac) 2017-18	Period to which the amount relates	Forum where dispute is pending
Various States Sales Tax/VAT	Sales Tax/ VAT	751.51	549.24	1999-2000, 2004-05 to 2015-16	Assistant/Deputy Commissioner/ Joint/Additional Commissioner/ Hon'ble High court at Andhra Pradesh/ Revisional Board/ The West Bengal Commercial Taxes Appellate/ Sales Tax Inspector
Central Sales Tax Act, 1956	Central Sales Tax	54.84	47.69	1990-92, 2004-05, 2010-11, 2012-13	Commissioner (Appeals)
Finance Act, 1994	Service Tax	464.24	594.84	2004-05, 2007-08 to 2017-18	Commissioner (Appeals)/ CESTAT/ Commissioner of Central Excise
Central Excise Act, 1944	Excise duty	478.73	661.13	2005-06 to 2007-08, 2009-10 to 2017-18	Commissioner (Appeals)/ CESTAT
Income Tax Act, 1961	Income Tax	1227.84	119.79	2013-14 to 2015-16	Commissioner of Income Tax (A)

viii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government. The Company had neither any outstanding debenture at the beginning of the year nor has it issued any debenture during the year.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained except for the temporary investment of fund considering non-utilization.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Singhi & Co.,
Chartered Accountants
Firm's Registration No. 302049E

(Rajiv Singhi)
Partner
Membership No. 053518

Place: Kolkata
Date: 16th day of May, 2018

Annexure - B to the Independent Auditor's Report

(Referred to in paragraph 8(f) with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of Century Plyboards (India) Limited for the year ended 31st March, 2018)

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

1. We have audited the internal financial controls over financial reporting of Century Plyboards (India) Limited ("the Company'') as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.,
Chartered Accountants
Firm's Registration No. 302049E

(Rajiv Singhi)
Partner
Membership No. 053518

Place: Kolkata
Date: 16th day of May, 2018

CENTURYPLY

BALANCE SHEET as at 31st March, 2018

₹ in Lac

	Notes	31st March, 2018	31st March, 2017
A. ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	54,122.80	24,869.39
Capital Work-in-Progress	3	11,976.31	28,394.57
Intangible Assets	4	48.23	71.43
Intangible Assets under development	4	29.41	27.68
Investment in Subsidiaries	5	9,602.24	9,602.24
		75,778.99	62,965.31
Financial Assets			
Investments	5	2.02	0.05
Loans and Advances	6	1,170.96	1,000.38
Other financial assets	7	1,031.02	998.49
Deferred Tax Assets (Net)	8	6,902.78	6,886.91
Other Non-Current assets	9	1,567.18	2,435.11
		10,673.96	11,320.94
Current Assets			
Inventories	10	33,820.60	26,383.06
Financial Assets			
Trade Receivables	11	31,445.71	33,527.36
Cash and cash equivalents	12	1,568.34	5,299.28
Bank Balances other than above	12	82.92	85.14
Loans and Advances	6	1,390.19	461.19
Current Tax Assets		516.95	-
Other financial assets	7	5,408.89	8,252.04
Other Current assets	9	5,241.05	7,177.93
		79,474.65	81,186.00
TOTAL ASSETS		1,65,927.60	1,55,472.25
B. EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	2,225.27	2,225.27
Other Equity	14	81,569.71	68,637.43
		83,794.98	70,862.70
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	15	16,693.81	14,674.86
Other financial liabilities	16	-	-
Other non-current liabilities	17	69.69	22.91
Provisions	22	1,008.80	1,037.72
		17,772.30	15,735.49
Current Liabilities			
Financial Liabilities			
Borrowings	18	33,528.43	41,033.90
Trade Payables			
Dues to micro and small enterprises	19	1,905.46	571.83
Dues to others	19	15,737.67	13,537.89
Other Financial Liabilities	20	10,186.86	9,109.70
Other Current Liabilities	21	2,848.11	3,804.87
Provisions	22	153.79	114.99
Current tax liabilities (Net)		-	700.88
		64,360.32	68,874.06
TOTAL EQUITY AND LIABILITIES		1,65,927.60	1,55,472.25
Significant Accounting Policies and Key Judgements, Estimates and Assumptions	2		

The accompanying notes form an integral part of the standalone financial statements 3-48

This is the Balance Sheet referred to in our report of even date

For Singhi & Co.
Firm Registration No.- 302049E
Chartered Accountants

For and on behalf of the Board of Directors

Rajiv Singhi
Partner
Membership No. 053518

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & Managing Director
DIN:00246132

Place: Kolkata
Date:16th May, 2018

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2018

₹ in Lac

	Notes	2017-2018	2016-2017
INCOME			
Revenue from Operations	23	2,00,203.72	1,92,033.16
Other Income	24	668.71	2,267.72
Total Income		**2,00,872.43**	**1,94,300.88**
EXPENSES			
Cost of Materials Consumed	25	73,694.69	60,099.25
Purchase of Stock-in-Trade	26	33,125.23	31,547.53
Changes in inventories of Finished Goods, Stock-in-Trade			
and Work-in-Progress	26	(4,524.82)	161.37
Employee Benefits Expense	27	28,393.17	25,667.96
Finance Cost	28	3,267.76	2,864.23
Depreciation and Amortisation Expense	29	8,104.00	5,237.57
Excise Duty	30	3,482.34	13,787.45
Other Expenses	31	35,428.97	31,566.56
Total Expenses		**1,80,971.34**	**1,70,931.92**
Profit before Taxation		**19,901.09**	**23,368.96**
Tax Expenses			
Current Tax		4,222.83	5,040.74
Less: MAT credit entitlement		95.38	158.52
Net Current Tax Expense		4,127.45	4,882.22
Deferred Tax		109.91	(69.07)
Total Tax Expenses		4,237.36	4,813.15
Profit for the year		**15,663.73**	**18,555.81**
Other Comprehensive Income not to be reclassified to profit and loss in subsequent periods:			
Re-Measurement gains/(losses) on defined benefit plans		(87.83)	(304.21)
Income tax relating to items that will not be Reclassified to Profit & Loss	8	30.40	105.28
Total Other Comprehensive Income		(57.43)	(198.93)
Total Comprehensive Income for the year		**15,606.30**	**18,356.88**
Earnings per equity share (nominal value of share ₹1/-(Previous Year ₹1/-)			
Basic and Diluted (₹)	46	7.05	8.35
Significant Accounting Policies and Key Judgements, Estimates and Assumptions	2		

The accompanying notes form an integral part of the standalone financial statements 3-48

This is the Statement of Profit & Loss referred to our in report of even date

For Singhi & Co.
Firm Registration No. - 302049E
Chartered Accountants

For and on behalf of the Board of Directors

Rajiv Singhi
Partner
Membership No. 053518

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & Managing Director
DIN:00246132

Place: Kolkata
Date:16th May, 2018

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

CASH FLOW STATEMENT for the year ended 31st March, 2018

₹ in Lac

		2017-18	2016-17
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before Tax	19,901.09	23,368.96
	Adjustments for:		
	Depreciation/Amortisation	8,104.00	5,237.57
	Finance Cost	3,267.76	2,864.23
	Irrecoverable Debts & Advances Written Off	13.71	9.45
	Unspent/Unclaimed Balances Written Back	(0.06)	(0.32)
	(Profit)/Loss on disposal of Property, Plant and Equipment	(13.15)	(52.84)
	Net gain on Sale of Investments carried at FVTPL	(170.35)	(0.94)
	Interest Income from financial assets at amortised cost	(391.69)	(35.00)
	Provision for Doubtful Debts provided / (written back)	48.29	(106.92)
	Unrealised Foreign Exchange Fluctuations Loss/(Gain)	477.44	(1,586.49)
	Operating Profit before Working Capital Changes	**31,237.04**	**29,697.70**
	Adjustments for:		
	(Increase)/Decrease in Trade Receivables	2,030.54	(4,826.02)
	(Increase)/Decrease in Inventories	(7,437.54)	1,132.00
	(Increase)/Decrease in Financial Assets	5,217.45	(7,369.40)
	(Increase)/Decrease in Other Assets	(439.70)	617.19
	Increase/(Decrease) in Short Term Provisions	(77.94)	170.71
	Increase/(Decrease) in Financial Liabilities	645.35	871.11
	Increase/(Decrease) in Other Liabilities	(909.98)	697.49
	Increase/(Decrease) in Trade Payables	3,515.47	5,872.19
	Cash Generated from Operations	**33,780.69**	**26,862.97**
	Direct Taxes Paid (Net of Refunds)	(5,440.66)	(4,565.92)
	Net Cash generated from Operating Activities	**28,340.03**	**22,297.05**
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment	(19,231.57)	(28,967.80)
	Sale of Property, Plant and Equipment	21.73	168.82
	Purchase of Long Term Investments (Subsidiaries)	-	(4,744.01)
	Purchase of Current Investments	(27,700.00)	(1,000.00)
	Purchase of Long Term Investments (Others)	(1.97)	-
	Sale of Long Term Investments (Subsidiaries)	-	107.41
	Sale of Long Term Investments (Others)	-	1.17
	Sale of Current Investment	27,870.35	1,001.50
	Share Application Money given (Subsidiaries)	(32.53)	1,345.28
	Loans (Given)/Refunds (net)	(1,000.00)	-
	Interest Received	334.98	9.33
	Net Cash used in Investing Activities	**(19,739.01)**	**(32,078.30)**

CASH FLOW STATEMENT for the year ended 31st March, 2018

₹ in Lac

		2017-18	2016-17
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Long Term Borrowings	2,005.88	13,091.58
	Repayment of Long Term Borrowings	(450.47)	(5,069.12)
	Proceeds from Short Term Borrowings	1,091.49	17,460.35
	Repayment of Short Term Borrowings	(9,052.66)	(9,355.63)
	Interest Paid	(2,451.98)	(2,391.14)
	Other Borrowing Cost Paid	(803.67)	(473.31)
	Dividend paid	(2,220.46)	(1.21)
	Dividend Tax Paid	(452.29)	-
	Net Cash (used in)/from Financing Activities	**(12,334.16)**	**13,261.52**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	(3,733.14)	3,480.27
	Cash & Cash Equivalents - Opening Balance	5,384.42	1,904.15
	Cash & Cash Equivalents - Closing Balance	1,651.26	5,384.42

The accompanying notes form an integral part of the financial statements

Notes:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 on 'Statement of Cash Flow'.

2 Cash and Cash Equivalents include ₹82.92 Lac (Previous Year ₹85.14 Lac) available for restricted use. The restrictions are mainly on account of cash and bank balances held as margin money deposit against bank guarantees and unclaimed dividends.

3 Reconciliation between opening and closing balance's of liabilities arising from financing activities.

₹ in Lac

Particulars	Liabilities from financing activities		
	Term Loan from Banks & Financial Institutions	Current Borrowings	Finance Lease Obligation
Balance as at 1st April, 2017	18,027.57	41,033.90	1,159.52
Accrued interest but not due as at 1st April, 2017	18.16	110.83	4.26
Cash Flow (Net)	2,005.88	(7,961.17)	(450.47)
Non Cash Changes			
Forex	32.53	455.70	-
Finance Cost	600.56	2,584.01	83.19
Interest & Other Borrowing Cost Paid	(618.72)	(2,549.48)	(87.45)
Accrued interest but not due as at 31st March, 2018	-	145.36	-
Balance as at 31st March, 2018	20,065.98	33,528.43	709.05

4 Previous year's figures have been rearranged and/or regrouped, wherever necessary.

For Singhi & Co.
Firm Registration No. - 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518

Place: Kolkata
Date:16th May, 2018

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & Managing Director
DIN:00246132

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2018

A) Equity Share Capital

	Nos.	₹ in Lac
On 1st April, 2016 *	22,21,72,990	2,225.27
Changes in equity share capital during the year	-	-
Balance at 31st March, 2017*	22,21,72,990	2,225.27
Changes in equity share capital during the year	-	-
Balance at 31st March, 2018*	**22,21,72,990**	**2,225.27**

* Includes amount ₹3.54 Lac received on forfeited shares (FY 2001-02)

B) Other Equity

₹ in Lac

Particulars	Reserves and Surplus						
	Securities Premium Reserve	Amalgamation Reserve	Surplus in the Statement of Profit and Loss	Capital Redemption Reserve	General Reserve	Retained Earnings	Total
Balance as on 1st April, 2016	1,892.77	317.40	43,348.09	50.00	990.19	3,682.10	50,280.55
Profit for the year	-	-	18,555.81	-	-	-	18,555.81
Other Comprehensive Income for the year, net of tax:							
Remeasurement gain/(loss) on Defined Benefit Plans	-	-	-	-	-	(198.93)	(198.93)
Balance at 31st March, 2017	**1,892.77**	**317.40**	**61,903.90**	**50.00**	**990.19**	**3,483.17**	**68,637.43**
Final Dividend for the year 2016-17			(2,221.73)				(2,221.73)
Tax on final dividend for the the year 2016-17			(452.29)				(452.29)
Profit for the year	-	-	15,663.73	-	-		15,663.73
Other Comprehensive Income for the year, net of tax							
Remeasurement gain/(loss) on Defined Benefit Plans	-	-		-	-	(57.43)	(57.43)
Balance at 31st March, 2018	**1,892.77**	**317.40**	**74,893.61**	**50.00**	**990.19**	**3,425.74**	**81,569.71**

The accompanying notes are an integral part of the Standalone financial statements .

This is the statement of changes in Equity referred to in our report of even date

For Singhi & Co.
Firm Registration No. - 302049E
Chartered Accountants

For and on behalf of the Board of Directors

Rajiv Singhi
Partner
Membership No. 053518

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & Managing Director
DIN:00246132

Place: Kolkata
Date:16th May, 2018

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

1. Corporate Information

Century Plyboards (India) Ltd. (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956, having its registered office at 6, Lyons Range, Kolkata - 70000. Its shares are listed on National Stock Exchange of India Ltd. and BSE Limited. The Company is primarily engaged in manufacturing and sale of Plywood, Laminates, Decorative Veneers, Medium Density Fiber Boards, Pre-laminated boards, Particle Board and Flush Doors and providing Container Freight Station services. The Company presently has manufacturing facilities near Kolkata, Karnal, Guwahati, Hoshiarpur, Kandla and Chennai. Container Freight station is located near Kolkata port.

2. Significant Accounting Policies and Key Estimates and Judgements

2.1 Basis of Preparation of financial statements

These financial Statements relate to Century Plyboards (India) Limited. The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standard) Rules, 2015 and other relevant provision of the Act.

The Company has adopted all the Ind AS standards effective 1st April, 2016 and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on a historical cost basis, except for certain financial assets measured at fair value as described in accounting policies regarding financial instruments.

The financial statements have been prepared under the historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value:

- Financial instruments - Measured at fair value;
- Plan assets under defined benefit plans - Measured at fair value; and

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statement is determined on such a basis, except for share-based payment transactions, leasing transactions and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets. The basis of fair valuation of these items are given as part of their respective accounting policies.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Indian Rupees which is the Functional Currency and all values are rounded to nearest Lakhs with two decimal except when otherwise indicated.

2.2 Summary of Significant Accounting Policies

a. Current versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in Company's normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in Company's normal operating cycle
- held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principle in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Company considers that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty. Accordingly, it is considered for valuation of stock of finished goods lying in the factories and branches as on the Balance Sheet date.

However, Sales tax/ value added tax (VAT)/ Good and Service Tax (GST) is not received by the Company on its own account. These are collected on behalf of the government and accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from the sale of goods is recognised on transfer of significant risks and rewards of ownership to customers based on the contract with the customers for delivery. Revenue from the sale of goods is net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from services are recognized pro-rata as and when the services are rendered. The Company collects service tax / Goods and service tax on behalf of the government and therefore, it is not an economic benefit flowing to the Company and hence excluded from revenue.

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims

Insurance and other claims are accounted for as and when accepted.

c. **Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

d. **Taxes**

Tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current tax & deferred tax.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (MAT Credit Entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

e. **Property, Plant and Equipment**

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Expenditure directly attributable to expansion projects are capitalised. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not related to the project nor are incidental thereto, are charged to Statement of Profit and Loss.

Depreciation on property, plant and equipment is provided under Written Down Value method at the rates determined based on useful lives of the respective assets and residual values which is in line with those indicated in Schedule II of The Companies Act, 2013.

The estimated useful life of the Property Plant and Equipment is given below:-

Asset Group	Useful life (in years)
Factory Building	30
Non-factory Building	60
Plant & Equipment	8-25
Electrical Installation	10
Furniture & Fixtures	10
Office Equipment and Vehicle	5-8
Computers	3

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

f. **Investment Property**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of de-recognition.

g. **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss, if any.

The Company has intangible assets with finite useful lives.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets (Computer Software) are amortised on a Written Down value method over a period of 5 years.

h. **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i. **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a Lessee

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.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments as per terms of the agreement are recognised as an expense in the statement of profit and loss.

j. **Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

(i) Raw materials, Stores and Spares: These are valued at lower of cost and net realisable value. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

(ii) Finished goods and work in progress: These are valued at lower of cost and net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of finished goods also includes excise duty. Cost is determined on weighted average basis.

(iii) Traded goods: These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

k. **Impairment of Non-Financial Assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Class of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

l. **Retirement and other Employee Benefits**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the Company recognizes contribution payable to the provident fund scheme as expenditure when an employee renders the related service.

The Company has no obligations other than the contribution payable to the respective funds.

Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates.

The Company treats accumulated leaves expected to be carried forward beyond twelve months as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company does not have an unconditional right to defer the settlement for the period beyond 12 months and accordingly entire leave liability is shown as current liability.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to statement of profit or loss in subsequent periods.

m. **Foreign Currency Translation**

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement profit or loss are also recognised in OCI or statement of profit and loss, respectively).

n. Financial Instruments

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

Financial Assets

(i) Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the settlement date, i.e., the date that the asset is delivered to or by the Company which generally coincides with the trade date.

(ii) Subsequent Measurement

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

(a) Debt instruments at amortised cost

(b) Equity instruments at fair value through profit or loss (FVTPL)

(c) Equity Instruments in subsidiaries

(a) Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the Company.

(b) Equity Instruments at Fair Value through Profit or Loss (FVTPL)

All equity investments in scope of Ind AS 109 are measured at fair value except equity investments in subsidiaries which are measured at cost as per Ind AS 27. For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

(c) Equity Instruments in subsidiaries

Equity investments in Subsidiaries are carried at Cost, in accordance with option available in Ind AS 27 "Separate Financial Statements".

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

(iv) Impairment of Financial Assets

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

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

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

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

Financial Liabilities

(i) Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) De-recognition

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

(iv) Offsetting of Financial Instruments

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

Derivative Financial Instruments

Initial Recognition and Subsequent Measurement

The Company uses derivative financial instruments, such as forward contracts, interest rate swaps, etc. to hedge its foreign currency risks and interest rate risks and are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit or loss.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

o. **Fair Value Measurement**

The Company measures financial instruments, such as, quoted investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on recurring basis the Company determines whenever transfers have occurred between levels in the hierarchy by reassesing categorisation at the end of each reporting period and discloses the same.

p. **Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

q. **Cash Dividend to Equity Holders**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

r. **Earning Per Share**

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

s. **Segment Reporting**

The Company 's operating business segments are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

t. **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

u. **Contingent Liabilities**

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

2.3 Critical accounting judgment and key sources of estimation uncertainty

The application of accounting policies requires management to make estimates and judgments in determining certain revenues, expenses, assets, and liabilities. The following paragraphs explains areas that are considered more critical, involving a higher degree of judgment and complexity.

a. **Impairment of non-current assets -** Ind AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

   In accordance with Ind AS 36, goodwill and certain intangible assets are reviewed at least annually for impairment. If a loss in value is indicated, the recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Company's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Company for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

   Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. The Company does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes.

b. **Defined Benefit Plans**

   The cost of the employment benefits such as gratuity, leave and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

   The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

   The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

   Further details about gratuity obligations are given in Note No. 32.

c. **Environmental liabilities and Asset Retirement Obligation (ARO)** – Estimation of environmental liabilities and ARO require interpretation of scientific and legal data, in addition to assumptions about probability and future costs.

d. **Taxes** – The Company calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

e. **Classification of leases** – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

f. **Useful lives of depreciable/ amortisable assets (tangible and intangible)** - Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment

g. **Expected Credit Loss Model** - The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Financial Assets. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. As a practical expedient, the Company uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.

2.4 Standards Issued but not yet Effective

The standard issued but not yet effective up to the date of issuance of the Company's financial statements is disclosed below. The Company intends to adopt this standard when it becomes effective.

a. **Ind AS 115-Revenue from Contracts with Customers-** The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above .The new standard will come into force from accounting period commencing on or after 1st April, 2018.It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The standard is likely to affect the measurement, recognition and disclosure of revenue. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company except disclosure. The Company will adopt the Ind AS 115 on the required effective date.

b. **Ind AS 21, The Effect of Changes in Foreign Exchange Rates** - The amendments to Ind AS 21 addresses issue to determine the date of transactions for the purpose of determining the exchange rate to be used on initial recognition of related assets, expenses or income when entity has received or paid advances in foreign currencies by incorporating the same in Appendix B to Ind AS 21. The amendment will come into force from accounting period commencing on or after 1st April, 2018. The Company has evaluated this amendment and impact of this amendment will not be material.

c. **Amendments to other Ind AS**

The Companies (Indian Accounting Standards) Amendment Rules, 2018 has also made amendments to:

Ind AS 12 - Income Taxes,

Ind AS 28 - Investment in Associates and Joint Ventures,

Ind AS 40 - Investment Property.

These rules come into force from 1st April, 2018. The Company has evaluated these amendments and as per assessment impact of amendment to Ind AS 12, amendment to Ind AS 40 and Ind AS 28 will not have any material impact on the financial statement of the Company . The Company will adopt above amendments from required effective date.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

3. Property, Plant and Equipment

₹ in Lac

Particulars	Freehold Land	Factory Buildings	Non-Factory Buildings on Freehold Land	Non-Factory Buildings on Leasehold Land	Storage Yard on Leasehold Land	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipments	Computers	Vehicles (a)	Total
COST												
At 1st April, 2016	2,472.05	4,710.76	3,250.72	516.01	2,241.43	6,924.17	582.21	459.73	329.15	402.47	1,953.74	23,842.44
Addition	299.53	1,332.05	608.20	12.21	156.83	7,140.50	418.68	123.80	118.52	73.30	248.75	10,532.37
Disposals /deductions / adjustment	17.87	-	-	-	-	11.04	8.71	120.85	12.59	13.46	11.51	196.03
At 31st March, 2017	**2,753.71**	**6,042.81**	**3,858.92**	**528.22**	**2,398.26**	**14,053.63**	**992.18**	**462.68**	**435.08**	**462.31**	**2,190.98**	**34,178.78**
Additions	2,886.29	5,442.68	1,126.95	27.66	-	25,475.63	1,478.52	76.56	208.46	191.03	462.16	37,375.94
Disposals /deductions / adjustment	-	-	-	-	-	4.94	-	2.45	2.21	11.57	5.35	26.52
At 31st March, 2018	**5,640.00**	**11,485.49**	**4,985.87**	**555.88**	**2,398.26**	**39,524.32**	**2,470.70**	**536.79**	**641.33**	**641.77**	**2,647.79**	**71,528.20**
Depreciation												
At 1st April, 2016	-	479.48	222.11	73.15	459.29	1,946.82	155.26	117.64	130.63	172.24	454.06	4,210.68
charge for the Year	-	479.97	230.25	63.49	470.49	2,899.02	167.23	101.48	113.60	142.66	511.06	5,179.25
Disposals /deductions / adjustment	-	-	-	-	-	4.58	3.77	50.35	7.82	9.01	5.01	80.54
At 31st March, 2017	-	**959.45**	**452.36**	**136.64**	**929.78**	**4,841.26**	**318.72**	**168.77**	**236.41**	**305.89**	**960.11**	**9,309.39**
charge for the Year	-	802.73	316.31	64.03	491.54	5,294.20	358.16	86.33	122.63	126.93	451.09	8,113.95
Disposals /deductions / adjustment	-	-	-	-	-	2.47	-	0.92	1.49	9.77	3.29	17.94
At 31st March, 2018	-	**1,762.18**	**768.67**	**200.67**	**1,421.32**	**10,132.99**	**676.88**	**254.18**	**357.55**	**423.05**	**1,407.91**	**17,405.40**
Net Block												
At 31st March, 2017	**2,753.71**	**5,083.36**	**3,406.56**	**391.58**	**1,468.48**	**9,212.37**	**673.46**	**293.91**	**198.67**	**156.42**	**1,230.87**	**24,869.39**
At 31st March, 2018	**5,640.00**	**9,723.31**	**4,217.20**	**355.21**	**976.94**	**29,391.33**	**1,793.82**	**282.61**	**283.78**	**218.72**	**1,239.88**	**54,122.80**

Notes :

a) Vehicles Includes taken on finance lease written down Value ₹932.60 Lac (₹1239.31 Lac) [Refer Note No. 35(b)].

b) Contractual commitments for acquisition of Property,Plant & Equipments is disclosed in Note No. 33(i)

Capital Work in progress	31st March, 2018	31st March, 2017
Carrying value at the beginning of the year	28,394.57	8,652.60
Addition during the year	12,163.78	25,331.36
Capitalised during the year	28,539.30	5,549.05
Deduction/ Adjustment during the year	42.74	40.34
Carrying value at the end of the year	**11,976.31**	**28,394.57**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

3. Property, Plant and Equipment *(Contd.)*

₹ in Lac

Particulars	Freehold Land	Factory Buildings	Non-Factory Buildings on Freehold Land	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Total
As at 1st April, 2016	1941.88	447.86	2335.90	3650.06	208.15	0.00	2.96	4.52	61.27	8652.60
Addition	931.95	6899.51	1705.65	14519.14	1024.98	25.07	27.07	21.94	176.05	25331.36
Transfer to PPE	242.73	666.64	59.48	4129.43	321.42	5.94	7.86	0.57	114.98	5549.05
Deduction/ Adjustment	-	-	40.34	-	-	-	-	-	-	40.34
As at 31st March, 2017	2631.10	6680.73	3941.73	14039.77	911.71	19.13	22.17	25.89	122.34	28394.57
As at 1st April, 2017	2631.10	6680.73	3941.73	14039.77	911.71	19.13	22.17	25.89	122.34	28394.57
Addition	310.06	2110.12	4597.85	4886.47	219.90	7.28	16.98	15.12	-	12163.78
Transfer to PPE	2546.92	7012.92	803.68	16851.18	1105.96	21.34	33.95	41.01	122.34	28539.30
Deduction/ Adjustment	-	-	42.74	-	-	-	-	-	-	42.74
As at 31st March, 2018	394.24	1777.93	7693.16	2075.06	25.65	5.07	5.20	0.00	0.00	11976.31

4. Intangible Assets

₹ in Lac

Particulars	Computer Software
COST	
At 1st April, 2016	269.76
Addition	34.78
Written off/Disposed	9.08
At 31st March, 2017	295.46
Addition	14.02
Written off/Disposed	-
At 31st March, 2018	309.48
Amortisation	
At 1st April, 2016	154.56
charge for the Year	78.06
Written off/Disposed	8.59
At 31st March, 2017	224.03
charge for the Year	37.22
Written off/Disposed	-
At 31st March, 2018	261.25
Net Block	
As at 31st March, 2017	71.43
As at 31st March, 2018	48.23

Intangible Assets Under Development

₹ in Lac

Particulars	Software
As at 1st April, 2016	15.53
Addition	12.15
As at 31st March, 2017	27.68
At 1st April, 2017	27.68
Addition	29.41
Transfer to PPE	27.68
As at 31st March, 2018	29.41

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

5. Investments

	Face Value per share ₹	No. of Shares @	As at 31st March, 2018 ₹ in Lac	As at 31st March, 2017 ₹ in Lac
Non-Current Investments at fair value through profit or loss (FVTPL)				
Unquoted Equity Instruments				
i Investments In Others (at FVTPL)				
OPG Power Generation Pvt. Ltd.	10	17600	2.02	-
Sub Total			**2.02**	**-**
ii Investments In Subsidiaries (at cost)				
Auro Sundram Ply & Door Pvt. Ltd.	10	510000	231.80	231.80
Century MDF Ltd.	10	300000	30.00	30.00
Century Ply (Singapore) Pte. Ltd.	USD-1	5296926	3,532.67	3,532.67
Centuryply Myanmar Pvt. Ltd.	Kyat 1,00,000/-	78800	4,938.93	4,938.93
Ara Suppliers Pvt. Ltd.	10	1422091	142.21	142.21
Arham Sales Pvt. Ltd.	10	1422091	142.21	142.21
Adonis Vyaper Pvt. Ltd.	10	1422091	142.21	142.21
Apanapan Viniyog Pvt. Ltd.	10	1422091	142.21	142.21
Century Infotech Ltd.	10	3000000	300.00	300.00
Sub Total			**9,602.24**	**9,602.24**
Investment in Government Securities				
National Savings Certificate (VII Isssue)*			-	0.05
TOTAL			9,602.24	9,602.29
Aggregate amount of unquoted investment			9,604.26	9,602.29

* Lodged with Government Departments as Security Deposit.

6. Loans and Advances (At amortised cost)

₹ in Lac

	Non Current		Current	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Unsecured considered good				
Security Deposits	1,170.96	1,000.38	90.19	161.19
Loans:				
- To a Body corporate	-	-	1,000.00	-
- To a Subsidiary Company (Refer Note No. 41)	-	-	300.00	300.00
	1,170.96	**1,000.38**	**1,390.19**	**461.19**
Due from officers of the Company	-	5.00	-	-

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

7. Other Financial Assets (At Amortised Cost)

₹ in Lac

	Non Current		Current	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Unsecured considered good				
Advances recoverable in cash or kind	-	-	5,004.73	7,896.07
Other Receivables	-	-	277.57	304.80
Share Application Money				
- To Subsidiary Companies	998.49	998.49	-	-
- To Others	32.53			
Interest accrued on Loans, Deposits etc	-	-	107.88	51.17
Insurance Claim Receivable	-	-	18.71	-
	1,031.02	998.49	5,408.89	8,252.04

8. Income Tax

₹ in Lac

		31st March, 2018	31st March, 2017
i.	**Current income tax recognised in Statement of Profit & Loss**		
	Current income tax	4,222.83	5,040.74
	MAT credit entitlement	(95.38)	(158.52)
	Deferred tax:	109.91	(69.07)
	Income tax expense reported in the statement of profit or loss	**4,237.36**	**4,813.15**
	Current Tax recognised for Other Comprehensive Income (OCI)		
	Tax on net loss(gain) on remeasurement of defined benefit plan	30.40	105.28
		30.40	**105.28**
	Reconciliation of estimated Income Tax Expenses at Indian Statutory Income Tax Rate to Income tax Expenses reported in the Statement of Profit & Loss		
	Accounting profit before income tax	**19,901.09**	**23,368.96**
	At India's statutory income tax rate	**34.61%**	**34.61%**
	Estimated Income tax Expenses	**6,887.77**	**8,088.00**
	Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
	Income exempted from tax (80IA, 80IE)	**(2,649.82)**	**(3,566.07)**
	Others	**(0.59)**	**291.22**
	Income tax expense reported in the statement of profit and loss	**4,237.36**	**4,813.15**

₹ in Lac

		31st March, 2018	31st March, 2017
ii.	**Deferred Tax Assets**		
	Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	746.41	678.02
	Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	545.89	740.03
	Provision for doubtful debts and advances	310.15	263.91
		1,602.45	1,681.96
	Minimum Alternate Tax Credit Entitlement*	5,300.33	5,204.95
	Net Deferred Tax Asset	**6,902.78**	**6,886.91**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

8. Income Tax *(Contd.)*

₹ in Lac

		31st March, 2018	31st March, 2017
iii.	**Deferred Tax Assets (Net) (Statement of Profit and Loss)**		
a)	Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	68.39	245.28
b)	Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(194.14)	21.46
c)	Provision for doubtful debts and advances	46.23	(92.39)
d)	Minimum Alternate Tax Credit Entitlement*	95.38	158.52
		15.86	**332.87**

*The Company enjoys tax holiday benefit in respect of its certain units under section 80IA and 80IE of the Income Tax Act, 1961 (Act) and accordingly at present is paying Minimum Alternative Tax (MAT) under Section 115JB of the Act. Utilisation of such MAT credit would commence immediately upon completion of the Tax holiday period and the management is certain that there will be sufficient taxable profit to utilise the MAT credit recognised in the books of accounts.

(iv) Movement in deferred tax assets and liabilities during year ended 31st March, 2017 and 31st March, 2018

₹ in Lac

Particulars	As at 1st April, 2016	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31st March, 2017	Recognised in Statement of Profit & Loss *	Recognised in OCI	As at 31st March, 2018
Deferred Tax Assets							
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	432.74	140.00	105.28	678.02	37.99	30.40	746.41
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	718.57	21.46		740.03	(194.14)		545.89
Provision for doubtful debts and advances	356.30	(92.39)		263.91	46.24		310.15
	1,507.61	**69.07**	**105.28**	**1,681.96**	**(109.91)**	**30.40**	**1,602.45**
Minimum Alternate Tax Credit Entitlement	5,046.43	158.52		5,204.95	95.38		5,300.33
Deferred Tax Liability							
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting							
Net Deferred Tax Asset	6,554.04			6,886.91			6,902.78

* Includes ₹14 Lac (net) due to change in Income tax rate from 34.608% to 34.944%

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

9. Other Assets

₹ in Lac

	Non Current		Current	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Anti Dumping Duty Receivable (Refer Note No. 40)	-	-	176.66	176.66
Capital Advances Against Property, Plant & Equipment	843.40	1,688.60	-	-
Deposits against Demand under Disputes	-	-	91.52	111.30
Balance with Statutory/Government Authorities	-	-	2,678.75	4,981.36
Central/State Government Subsidies Receivable	-	-	1,788.54	1,340.32
Prepaid Expenses	723.78	746.51	505.58	568.29
	1,567.18	**2,435.11**	**5,241.05**	**7,177.93**

10. Inventories

₹ in Lac

	Notes	31st March, 2018	31st March, 2017
(At Lower of Cost and Net Realisable Value)			
Raw Materials	25	14,630.56	13,106.01
Work-in-Progress	26	3,381.91	2,364.82
Stock in Trade	26	4,603.40	3,837.31
Finished Goods	26	8,927.82	6,186.18
Stores & Spares Parts, etc		2,276.91	888.74
Total		**33,820.60**	**26,383.06**
Note:-			
The above includes Stock-in-Transit			
Raw Materials		1,099.18	1,554.52
Stores		326.57	-
Stock in Trade		1,226.84	1,174.68

Inventories are pledged against the cash credit limit obtained by the Company.

11. Trade Receivables

₹ in Lac

	Current	
	31st March, 2018	31st March, 2017
Trade Receivables (Unsecured)		
Considered Good	31,445.71	33,527.36
Considered Doubtful	887.57	762.58
	32,333.28	**34,289.94**
Less: Provision for doubtful trade receivables	887.57	762.58
Total	**31,445.71**	**33,527.36**
(Refer Note No. 41 for Related Party disclosure)		
Trade receivables are pledged against the cash credit limit obtained by the Company.		
Trade receivables are non-interest bearing and are generally on terms of 45 days.		
	31,445.71	**33,527.36**

No debts are due from Directors or other Officers of the Company .

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

12. Cash and Bank Balances

₹ in Lac

	31st March, 2018	31st March, 2017
Cash and Cash Equivalents		
Cash in hand	30.66	54.73
Balances with Banks		
On Current accounts	1,023.12	1,870.68
Deposits with Original Maturity of less than three months	500.00	3,000.00
Cheques/Drafts on hand	14.56	373.87
Note: There is no repatriation restrictions with regard to cash and cash equivalent as at the end of the reporting period and prior periods		
	1,568.34	**5,299.28**
Bank Balances other than above		
Margin Money Deposits with Original Maturity of more than 3 months but less than 12 months	60.25	63.74
Unpaid Dividend Account	22.67	21.40
	82.92	**85.14**
Total	**1,651.26**	**5,384.42**

13. Equity Share Capital

₹ in Lac

	31st March, 2018	31st March,2017
Authorised		
65,05,00,000 (65,05,00,000) Equity Shares of ₹1/- each	6,505.00	6,505.00
15,00,000 (15,00,000) Preference Shares of ₹10/- each	150.00	150.00
50,000 (50,000) Preference Shares of ₹100/- each	50.00	50.00
Total	**6,705.00**	**6,705.00**
Issued		
Issued equity shares of ₹1 each		
At 1st April, 2016 (22,35,52,990 Equity Shares of ₹1/- each)	2,235.53	2,235.53
Changes during the period	-	-
At 31st March, 2017 (22,35,52,990 Equity Shares of ₹1/- each)	2,235.53	2,235.53
Changes during the period	-	-
At 31st March, 2018	2,235.53	2,235.53
Total	**2,235.53**	**2,235.53**
Subscribed and Paid up		
22,21,72,990 (31.3.2017 - 22,21,72,990) Equity Shares of ₹1/- each	2,221.73	2,221.73
Add: Amount received on forfeited shares(FY 2001-02)	3.54	3.54
Total	**2,225.27**	**2,225.27**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

13. Equity Share Capital *(Contd.)*

a) There is no change in number of shares in current year and last year.

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31st March, 2018		31st March, 2017	
	No. of Shares	₹ in Lac	No. of Shares	₹ in Lac
At the beginning of the year	22,21,72,990	2,221.73	22,21,72,990	2,221.73
Issued during the year	-	-	-	-
Outstanding at the end of the year	**22,21,72,990**	**2,221.73**	**22,21,72,990**	**2,221.73**

c) Terms/ Rights attached to the Equity Shares

The Company has only one class of equity shares having par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company , the holders of equity shares will be entitled to receive remaining assets of the Company , after distribution of all preferential amounts in proportion to their shareholdings.

d) The Company does not have any Holding/ Ultimate Holding Company. As such, no shares are held by them or their Subsidiaries/ Associates

e) Details of Shareholders holding more than 5% shares in the Company

	31st March, 2018		31st March, 2017	
	No. of Shares	% holding	No. of Shares	% holding
Sri Sajjan Bhajanka	2,50,32,954	11.27%	2,52,32,954	11.36%
Sri Sanjay Agarwal	2,41,50,124	10.87%	2,42,00,124	10.89%
Smt. Divya Agarwal	1,67,49,750	7.54%	1,67,49,750	7.54%
Smt. Santosh Bhajanka	1,54,49,500	6.95%	1,56,49,500	7.04%
Sri Vishnu Khemani	1,26,09,646	5.68%	1,26,07,857	5.67%

As per records of the Company, including its register of members as at 31st March, 2018, the above shareholding represents legal ownerships of shares.

f) There are NIL (Previous year NIL) shares reserved for issue under option and contracts/commitment for the sale of shares/ disinvestment.

g) During the period of five years immediately preceding the reporting date:

i. No shares were issued for consideration other than cash

ii. No bonus shares were issued

iii. No shares were bought back

h) There are NIL (Previous year NIL) securities convertible into Equity/ Preference Shares.

i) There are NIL (Previous year NIL) calls unpaid including calls unpaid by Directors and Officers as on the Balance Sheet date.

j) No shares were forfeited during the year or during the previous year.138000 equity shares of ₹10/-each (post split 1380000 equity shares of ₹1 each) on which ₹3.54 Lachad been paid up, were forfeited in the year 2001-2002.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

14. Other Equity

₹ in Lac

	31st March, 2018	31st March, 2017
Amalgamation Reserve	317.40	317.40
Securities Premium Reserve	1,892.77	1,892.77
General Reserve	990.19	990.19
Capital Redemption Reserve	50.00	50.00
Total	**3,250.36**	**3,250.36**
Retained Earnings		
Balance at the beginning of the year	65,387.07	47,030.19
Item of the Other Comprehensive Income recognised in retained earnings.	(57.43)	(198.93)
Add: Profit for the year	15,663.73	18,555.81
Less: Appropriations		
Payment of Final Dividend for the year 2016-17	2,221.73	-
Tax on Final Dividend for the year 2016-17	452.29	-
Total Appropriations	**2,674.02**	-
Balance at the end of the year	**78,319.35**	**65,387.07**
Total	**81,569.71**	**68,637.43**

Amalgamation Reserve:- This reserve was created on amalgamation of Shyam Century Ferrous Limited with the Company during the financial year 2005-2006.

Securities Premium Reserve:- This reserve had been created on issue of shares by way of public issue and right issue.

General Reserve:- General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Capital Redemption Reserve:- This reserve was created upon redemption of preference shares by Company in FY 2012-2013.

15. Borrowings (At Amortised Cost)

₹ in Lac

	Non Current		Current	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Term Loans (Secured)				
Indian Rupee Loan from Banks	6,818.76	6,315.30	1,448.78	1,945.73
Foreign Currency Loan from Banks	9,644.41	7,873.83	2,154.02	1,892.71
Other Loans and Advances (Secured)				
Financial Lease obligations :-				
- From banks	223.26	469.45	469.49	639.18
- From Bodies Corporate	7.38	16.28	8.92	34.61
	16,693.81	**14,674.86**	**4,081.21**	**4,512.23**
Amount disclosed under the head " Other Current Financial Liabilities"			(4081.21)	(4512.23)
(Refer Note No. 20)				
Total	**16,693.81**	**14,674.86**	-	-

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

15. Borrowings (At Amortised Cost) *(Contd.)*

Notes:-

(a) Term Loan of ₹ Nil (31st March, 2017 :1680.49 Lac) from a bank carries interest NA (31st March, 2017: @ 9.60% p.a). The Loan has been fully repaid during the year.

(b) Foreign currency term loan of ₹1073.16 Lac (31st March, 2017 : ₹1604.79 Lac) carries interest @6 months LIBOR + 2.00% p.a. The loan is repayable in 8 equal quarterly instalments by 31st March, 2020 and is secured/to be secured by 1st charge on all the fixed assets pertaining to the plywood unit at Bachau,Gujrat and 2nd charge on the current assets of the plywood divisions of the Company on pari passu basis with other term lenders.

(c) Foreign currency term loan of ₹2927.62 Lac (31st March, 2017: ₹3503.36 Lac) carries interest @ 6 months LIBOR + 2.00 % p.a. The loan is repayable in 20 equal quarterly instalments by 31st March, 2023 and is secured/to be secured by first charge on all the fixed assets pertaining to the Particle Board Unit at village Chinnappolapuram, Gummidipoondi, Tamil Nadu and by second charge on all the current assets of the Plywood Divisions of the Company on pari passu basis with other term lenders.

(d) Foreign currency term loan of ₹3895.27 Lac (31st March, 2017: 4658.39 Lac) carries interest @ 6 months LIBOR + 2.00 % p.a. The Loan is repayable in 20 equal quarterly instalments by 31st March, 2023 and is to be secured by 1st charge on proposed Corporate House at Taratala, Kolkata and is currently secured/to be secured by 1st charge on all the fixed assets pertaining to the Plywood Unit at Bishnupur, West Bengal by way of alternate security on pari passu basis with other term lenders.

(e) Term loan of ₹8267.54 Lac (31st March, 2017: 6580.53 Lac) carries interest @MCLR presently 8.10% p.a. The Loan is repayable in 24 equal quarterly instalments commencing from 31st March, 2018 by 31st March, 2023 and is secured/to be secured by Ist charge over all fixed assets of MDF Unit at Hoshiarpur, Punjab and by 2nd charge on all the current assets of the said unit.

(f) Foreign currency term loan of ₹3902.39 Lac (31st March, 2017 : Nil) carries interest @ 6 Months LIBOR + 1.25% p.a. The Loan is repayable in 16 equal quarterly instalments commencing from January 2019 by October 2022 and is secured/to be secured by 1st charge on all the Fixed Assets of the Plywood Unit at Bishnupur West Bengal on pari passu basis with other term lenders.

(g) Finance lease obligations are secured by hypothecation of the assets purchased there against and carrying interest between 9.64% p.a to 11.00% p.a (9.64% to 11% p.a).

16. Other Financial Liabilities

₹ in Lac

	Current Maturities	
	31st March, 2018	31st March, 2017
Trade Deposits	1,169.09	707.28
Amount disclosed under the head Other Current Financial Liabilities	(1,169.09)	(707.28)
Total	-	-

17. Other Non Current Liabilities

₹ in Lac

	31st March, 2018	31st March, 2017
Deferred Revenue		
At 1st April	37.36	41.35
Add: Capital Subsidy received during the year	106.96	-
Released to the Statement of Profit and Loss	0.92	3.99
At 31st March	**143.40**	**37.36**
Current (Amount Disclosed under the head Other Current Liabilities) (Refer Note No. 21)	73.71	14.45
Non-current	69.69	22.91

The deferred revenue relates to the asset related government grant received, the same has been accounted for as deferred revenue and proportionately adjusted with depreciation.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

18. Short Term Borrowings (At Amortised Cost)

₹ in Lac

	31st March, 2018	31st March, 2017
Loans repayable on demand		
Cash Credit from banks (Secured)	5,154.13	8,706.79
Others		
- From Bodies Corporate (Unsecured)	-	500.00
Other Loans and advances (Secured)		
Buyers Credit from banks		
- For Capital Expenditure	10,181.27	9,236.88
- For Raw Materials	14,193.03	14,090.23
Commercial Paper (Unsecured)	-	5,000.00
Packing Credit (Unsecured)	4,000.00	3,500.00
Total	**33,528.43**	**41,033.90**

Notes:-

a) Cash Credit and Buyer's Credit from banks amounting to ₹29,528.43 Lac (31st March, 2017 : ₹32,033.90 Lac) are secured/ to be secured by way of first charge on current assets (both present and future) of the Company and by way of second charge on the fixed assets of the plywood units at Mirza,Assam; Bishnupur, West Bengal; Taraori,Haryana; Chinnapploapuram, Gummidipoondi,Tamilnadu and Bacchau,Gujarat.The cash credit and buyer's credit are also secured by personal guarantees of three directors of the Company.

b) The cash credit is repayable on demand and carries interest @ 8.20% to 9.30% (31.3.2017 : 9.85% to 12.00%) p.a.

c) Buyers credit carries interest @ Libor plus 0.25% to 1.20% p.a (2016-17 0.34% to 1.20% p.a) and is repayable in 90-180 days.

d) Rate of Interest for Body Corporate Loan - NA (9.25%) p.a

e) Rate of Interest for Commercial Paper - NA (31st March, 2017; 6.75% p.a)

f) Rate of Interest for Packing Credit is 4.80% to 5.50% p.a (6.00%-6.05%)

19. Trade Payables (At Amortised Cost)

₹ in Lac

	31st March, 2018	31st March, 2017
- Dues to Micro and Small Enterprises (Refer Note No. 34)	1,905.46	571.83
- Dues to Others	15,737.67	13,537.89
	17,643.13	**14,109.72**

Trade payables and acceptances are non-interest bearing and are normally settled on 30 day terms.
For terms and conditions with related parties, Refer Note No. 41.

20. Other Financial Liabilities (At amortised cost)

₹ in Lac

	31st March, 2018	31st March, 2017
Current Maturities of Long Term Debts (Refer Note No. 15)	3,602.80	3,838.43
Current maturities on Finance Lease Obligations (Refer Note No. 15)	478.41	673.79
Current Maturities of Other Non Current Financial Liabilities (Refer Note No. 16)	1,169.09	707.28
Interest accrued but not due on borrowings	145.36	133.25
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	22.67	21.40
Capital Creditors	951.28	101.84
Employee related liabilities	3,817.25	3,633.71
	10,186.86	**9,109.70**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

21. Other Current Liabilities

₹ in Lac

	31st March, 2018	31st March, 2017
Advances from Customers	797.50	690.00
Statutory Dues Payable*	1,976.90	3,100.42
Deferred Revenue (Refer Note No. 17)	73.71	14.45
Total	**2,848.11**	**3,804.87**

* Includes ₹1,410.74 Lac (₹1,323.21 Lac) net of payments pertaining to Entry tax on entry of certain goods into a local area of the state of West Bengal.

The Company has challenged the legal validity of levy of the entry tax in the Hon'ble Calcutta High court.

22. Provisions

₹ in Lac

	Non Current		Current	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Provision for Employee Benefits				
Gratuity	530.72	589.02	71.69	57.94
Leave Encashment	478.08	448.70	82.10	57.05
	1,008.80	**1,037.72**	**153.79**	**114.99**

23. Revenue from Operations

₹ in Lac

	2017-2018	2016-2017
Revenue from Operations		
Sale of Products	1,88,860.30	1,82,339.60
Income from Services	9,932.59	8,761.18
Other Operating revenue		
Scrap Sales	118.83	90.93
Export Incentives	724.24	470.41
Indirect Tax Subsidy	465.76	261.84
Miscellaneous Income	102.00	109.20
Revenue from Operations (Gross)	**2,00,203.72**	**1,92,033.16**

₹ in Lac

	2017-2018	2016-2017
Details of Products Sold		
Plywood & Block board	1,11,048.52	1,15,449.74
Laminates	37,736.78	36,801.77
Pre-Laminated Particle Boards	4,764.40	3,710.94
Veneer	17,822.61	20,069.08
Particle Board	2,727.41	1,854.21
Medium Density Fibre Board	11,280.23	336.51
Agri Products	526.69	528.86
Phenol	1,235.90	1,382.03
Furniture	-	469.37

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

23. Revenue from Operations *(Contd.)*

₹ in Lac

	2017-2018	2016-2017
Others	1,717.76	1,737.09
	1,88,860.30	**1,82,339.60**
Details of Income from Services		
Container Freight Station Services	9,932.59	8,761.18
	9,932.59	**8,761.18**

24. Other Income

₹ in Lac

	2017-2018	2016-2017
Interest Income from financial assets at amortised cost		
- Others	361.69	35.00
- Subsidiaries	30.00	-
Provision for doubtful debts written back	-	106.92
Insurance and Other Claims	6.86	63.35
Unspent/Unclaimed liabilities written back	0.06	0.32
Profit on disposal of property, plant and equipment	13.15	52.84
Bad Debts Recovered	0.11	0.90
Foreign Exchange Fluctuations (Net)	-	2,007.45
Net gain on sale of Investments carried at FVTPL	170.35	0.94
Miscellaneous Receipts	86.49	-
Total	**668.71**	**2,267.72**

25. Cost of Materials Consumed

₹ in Lac

	2017-2018	2016-2017
Inventories at the beginning of the year	13,106.01	14,265.40
Add : Purchases	75,219.24	58,939.86
	88,325.25	73,205.26
Less : Inventories at the end of the year	14,630.56	13,106.01
Cost of Materials Consumed	**73,694.69**	**60,099.25**
Details of Material Consumed		
Timber Logs	15,932.98	11,787.32
Veneer	23,334.98	22,162.86
Chemicals	14,298.09	11,223.47
Paper	13,345.27	12,498.69
Waste Wood	4,167.32	542.45
Particle Board	2,616.05	1,884.46
	73,694.69	60,099.25
Details of Closing Stock of Materials		
Timber Logs	3,199.50	2,846.12
Veneer	5,476.94	5,688.12
Chemicals	1,082.76	1,065.53
Paper	4,242.86	3,005.65
Particle Board	203.59	500.59
Waste Wood	424.91	-
	14,630.56	**13,106.01**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

26. Purchase of Stock-in-Trade and Changes in Inventories of Finished Goods, Work-in-Progress And Stock-in-Trade

₹ in Lac

	2017-2018	2016-2017
Inventories at the beginning of the year		
Stock in Trade	3,837.31	4,296.54
Finished Goods	6,186.18	5,524.51
Work-in-Progress	2,364.82	2,728.63
	12,388.31	**12,549.68**
Inventories at the end of the year		
Stock in Trade	4,603.40	3,837.31
Finished Goods	8,927.82	6,186.18
Work-in-Progress	3,381.91	2,364.82
	16,913.13	**12,388.31**
Total	**(4,524.82)**	**161.37**
Details of Purchase of Stock in Trade		
Plywood and Block boards	23,749.28	15,668.81
Veneer	5,727.90	12,220.66
Medium Density Fibre board/Plain Particle Boards	-	80.50
Chemicals	611.28	522.45
Pest Control Kits	48.70	15.61
Phenol	1,211.08	1,354.22
Furniture	-	148.40
Others	1,776.99	1,536.88
	33,125.23	**31,547.53**
Details of Inventories at the year end		
Stock in Trade		
Plywood and Block board	3,511.75	1,100.97
Medium Density Fibre board/Plain Particle Boards	-	71.05
Chemicals	98.32	89.14
Pest Control Kits	64.96	60.96
Veneer	270.79	2,118.69
Others	657.58	396.50
	4,603.40	**3,837.31**
Finished Goods at the year end		
Plywood and Block board	3,524.41	2,741.18
Laminates	2,297.45	2,327.01
Pre-Laminated Particle Boards	-	24.85
Particle Board	31.08	1.34
Medium Density Fibre board	1,921.81	-
Veneer	1,153.07	1,091.80
	8,927.82	**6,186.18**
Work-in-Progress at the year end		
Plywood and Block board	1,077.95	1,420.94
Laminates	1,343.42	940.03
Medium Density Fibre Board	223.98	-
Pre-Laminated Particle Boards	736.56	3.85
	3,381.91	**2,364.82**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

27. Employee Benefits Expense

₹ in Lac

	2017-2018	2016-2017
Salaries, Wages, Bonus, etc.	26,071.89	23,555.85
Contribution to Provident, Gratuity and other Funds	1,786.29	1,572.41
Employees Welfare Expenses	534.99	539.70
Total	**28,393.17**	**25,667.96**

28. Finance Cost (at effective interest rate)

₹ in Lac

	2017-2018	2016-2017
Interest Expenses	2,464.09	2,390.92
Exchange difference to the extent considered as an adjustment to borrowing costs	471.94	193.02
Other Borrowing cost	331.73	280.29
Total	**3,267.76**	**2,864.23**

29. Depreciation and Amortisation Expense

₹ in Lac

	2017-2018	2016-2017
Depreciation on Tangible Assets (Refer Note No. 3)	8,113.95	5,179.25
Amortisation of Intangible Assets (Refer Note No. 4)	37.22	78.06
	8,151.17	5,257.31
Less: Transferred to Capital Work in Progress	47.17	19.74
Total	**8,104.00**	**5,237.57**

30. Excise Duty

₹ in Lac

	2017-2018	2016-2017
Excise Duty on sales	3,482.34	13,787.45
	3,482.34	**13,787.45**

Excise duty debited to Statement of Profit and Loss is net of subsidy of ₹308.92 Lac (₹1,743.27 Lac).

31. Other Expenses

₹ in Lac

	2017-2018	2016-2017
Stores & Spare parts consumed	2,833.38	1,809.04
Power and Fuel	6,375.23	3,741.96
(Increase)/decrease of excise duty on inventory	-	41.54
Insurance	271.82	251.33
Rent	1,590.05	1,663.48
Rates & Taxes	237.41	255.32
Repairs & Maintenance		
-Property	118.15	113.46
-Plant and Equipment	710.31	617.12
-Others	636.44	547.61
Transport & Freight	9,465.01	7,074.12
Commission on Sales	1,019.90	1,114.92
Advertisement, Publicity and Sales Promotion	5,641.72	7,549.87

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

31. Other Expenses *(Contd.)*

₹ in Lac

	2017-2018	2016-2017
Communication Expenses	304.50	366.52
Directors' Sitting Fees and Commission	47.03	29.85
Auditors' Remuneration	35.95	30.76
Corporate Social Responsibility Activities (Refer Note No. 38)	412.54	310.46
Charity and Donations	33.94	578.12
Octroi	72.89	367.02
Foreign Exchange Fluctuations (Net)	188.94	-
Irrecoverable Debts, Advances written off	13.71	9.45
Provision for Doubtful Debts	48.29	-
Miscellaneous Expenses	5,371.76	5,094.61
Total	**35,428.97**	**31,566.56**
Payment to Auditors		
As Auditor		
Audit Fees	24.00	17.00
For Other Services	11.70	12.86
Reimbursement of Expenses	0.25	0.90
	35.95	**30.76**

32. Gratuity and Other Post Employment Benefit Plans

The Company has a defined benefit gratuity plan. 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 an insurance Company.

The Company also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans.

I. Expenses Recognised in the Statement of Profit & Loss

₹ in Lac

		31st March, 2018	31st March, 2017
1.	Current / Past Service Cost	333.05	299.06
2.	Net Interest expense	46.01	36.12
	Components of defined benefit cost recognised in P/L	379.06	335.18
3.	Re-measurement - Due to Financial Assumptions	(47.77)	114.79
4.	Re-measurement - Due to Experience Adjustments	113.76	109.76
5.	Return on Plan Assets (Excluding Interest Income)	(1.35)	(10.56)
	Components of defined benefit cost recognised in OCI	**64.64**	**213.99**
Total Expense		**443.70**	**549.17**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

32. Gratuity and Other Post Employment Benefit Plans *(Contd.)*

II. Net Asset / (Liability) recognised in the Balance Sheet

₹ in Lac

	31st March, 2018	31st March, 2017
1. Present Value of Defined Benefit Obligation	3006.08	2522.08
2. Fair Value of Plan Assets	2403.67	1875.12
3. Net Asset / (Liability)	(602.41)	(646.96)

III. Change in Obligation during the Year

₹ in Lac

	31st March, 2018	31st March, 2017
1. Present Value of Defined Benefit Obligation at the beginning of the year	2522.09	1957.24
2. Current Service Cost/Plan amendments	333.05	299.06
3. Interest Cost	191.33	156.58
4. Benefits Paid	(106.38)	(115.35)
5. Re-measurements - Due to Financial Assumptions	(47.77)	114.79
6. Re-measurements - Due to Experience Adjustments	113.76	109.76
7. Present Value of Defined Benefit Obligation at the end of the year	**3,006.08**	**2,522.08**

IV. Change in the Fair Value of Plan Assets during the year

₹ in Lac

	31st March, 2018	31st March, 2017
1. Plan assets at the beginning of the year	1875.12	1606.08
2. Interest Income	145.32	120.45
3. Contribution by employer	488.25	253.38
4. Actual Benefit Paid	(106.38)	(115.35)
5. Re-measurement - Return on Assets (Excluding Interest Income)	1.35	10.56
6. Closing Fair Value of Plan Assets	**2,403.66**	**1,875.12**

V. In 2018-19 the Company expects to contribute ₹727.31 Lac (2016-17: ₹564.22 Lac) to gratuity.

VI. The Major Categories of Plan Assets as a Percentage of the Fair Value of Total Plan Assets

	31st March, 2018	31st March, 2017
Investments with insurer	100%	100%

VII. Actuarial Assumptions

	31st March, 2018	1st April, 2017
1. Discount Rate	7.75%	7.50%
2. Expected rate of return on plan assets	7.75%	7.50%
3. Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult.	
4. Salary increase	6%	6%
5. Withdrawal rates	1% - 8%	1%- 8%

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

32. Gratuity and Other Post Employment Benefit Plans *(Contd.)*

VIII. The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

IX. Contribution to Provident and Other Funds includes ₹954.47 Lac (2016-17 - ₹883.00 Lac) paid towards Defined Contribution Plans

X. **A quantitative sensitivity analysis for significant assumption is as shown below:**

Assumptions	31st March, 2018		31st March, 2017	
	Discount Rate		Discount Rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	(111.45)	128.89	(199.04)	229.80

Assumptions	31st March, 2018		31st March, 2017	
	Future Salary Increase		Future Salary Increases	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	134.26	(117.93)	230.38	(203.75)

Assumptions	31st March, 2018		31st March, 2017	
	Withdrawal Rates		Withdrawal Rates	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	13.65	15.76	21.41	(24.58)

Sensitivities due to mortality are not material and hence impact of change is not calculated.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

XI. **Maturity Profile of Defined Benefit Obligations**

₹ in Lac

	As on 31st March, 2018	As on 31st March, 2017
Year 1	159.36	132.80
Year 2	393.48	286.80
Year 3	253.20	203.08
Year 4	268.05	210.57
Year 5	297.32	220.70
Next 5 Years	1400.08	1164.10

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

33. Commitments and Contingencies

₹ in Lac

(i) Capital and Other Commitments

	As on 31st March, 2018	As on 31st March, 2017
Commitment for Acquisition of Property, Plant & Equipment (Net of Advance)	2,043.77	8,505.39
Letter of Credit issued by Banks	1,919.56	6,256.24
For Commitment relating to Lease Arrangements, please Refer Note No. 35		
For Commitment relating to Derivative Contracts, please Refer Note No. 37		

(ii) Contingent Liabilities

₹ in Lac

	As on 31st March, 2018	As on 31st March, 2017
Demands/Claims by various Government Authorities and Others not acknowledged as Debt:		
Excise Duty/Service Tax	1,102.48	958.57
Sales Tax/VAT	1,784.48	835.45
Income Tax	119.79	1,227.84
Others – Labour Case	25.00	-
Guarantees in favour of a Bank against Facilities granted to a Subsidiary Company	3,414.60	3,404.10
Others (Outstanding Amount at the year end)	612.75	630.41
Un-Redeemed Bank Guarantees	1190.24	953.84
Bills Discounted with Banks	NIL	78.23

Note: Based on discussion with the solicitors/favourable decisions in similar cases/legal opinion taken by the Company, the management believes that the outflow of resources is not probable and hence, no provision there against is considered necessary.

34. Based on the information/documents available with the Company, information as per the requirements of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

₹ in Lac

	2017-18	2016-17
Principal Amount due	1905.46	571.83
Interest due on above	-	-
Amount of interest paid in terms of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-
Amount of interest due and payable for the period of delay Amount of Interest accrued and remaining unpaid as at year end	-	-
Amount of further interest remaining due and payable in the succeeding year	-	-

35. Leases

(a) **Operating Lease:**

Certain office premises, depots, showrooms, etc. are obtained on operating lease. The lease terms are for 1-3 years and are renewable for further period either mutually or at the option of the Company. There are neither any restrictions imposed nor any escalation clause in lease arrangements. There are no subleases. The leases are cancellable.

₹ in Lac

Particulars	2017-18	2016-17
Lease Payments made for the year	1,408.99	1,477.71

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

35. Leases *(Contd.)*

The Minimum Rentals Payable under Operating Leases for non-cancellable arrangements are as follows:

₹ in Lac

Particulars	2017-18	2016-17
Within one year	692.60	697.67
After one Year but not more than Five Years	2,994.85	3,390.06
More than Five Years	3,754.03	559.80

(b) Finance Lease:

Property, plant and equipment include certain vehicles obtained on finance lease. There is no escalation clause in the lease agreement .There are no restrictions imposed by lease arrangements. The year-wise break-up and future obligation towards minimum lease payments of ₹763.19 Lac (31st March, 2017: ₹1268.74 Lac) consisting of present value of lease payments of ₹709.05 Lac (31st March, 2017: ₹1159.53 Lac) and financial charges ₹54.14 Lac (31st March, 2017: ₹109.21) under the respective agreements as on 31st March, 2018, is given below:

₹ in Lac

	31st March, 2018		31st March, 2017	
	Minimum Lease Payments	Present Value of MLP	Minimum Lease Payments	Present Value of MLP
Within one year	519.46	478.42	757.15	673.79
After One Year but not more than Five Years	243.73	230.63	511.58	485.73
Total Minimum Lease Payments	763.19	709.05	1,268.73	1,159.52
Less:-Amounts Representing Finance Charges	54.14	-	109.21	-
Present Value of minimum Lease payments	**709.05**	**709.05**	**1,159.52**	**1,159.52**

36. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The Company is not subject to any externally imposed capital requirements

37. Derivative Instruments and Unhedged Foreign Currency Exposure

a) The particulars of hedged foreign currency exposures as on the balance sheet date are as follows:

₹ in Lac

Nature of Item	As on 31st March, 2018	As on 31st March, 2017
Foreign Currency Term Loans	-	474.69
Buyer's Credit	-	1,989.23
Trade Receivables	1,740.25	-

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

37. Derivative Instruments and Unhedged Foreign Currency Exposure *(Contd.)*

b) The particulars of unhedged foreign currency exposures as on the balance sheet date are as follows:

₹ in Lac

Nature of Item	As on 31st March, 2018	As on 31st March, 2017
Foreign Currency Term Loans	11,815.69	9,313.01
Buyer's Credit	24,374.31	21,337.88
Trade Receivables	75.93	1,993.65
Trade Payables (Net)	5,327.55	3,647.28
Trade Advances	3347.16	6,930.42
Bank Balance	0.81	1.09

38. A CSR committee has been formed by the Company as per provisions of Section 135 of the Companies Act, 2013. The areas for CSR activities are promoting education, healthcare, animal welfare and projects ensuring environment sustainability. Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities"

₹ in Lac

	2017-18	2016-17
Amount of CSR expenditure to be incurred during the year	411.20	303.36
CSR expenditure (Revenue Nature) incurred during the year	412.54	310.46

39. Disclosure pursuant to Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

Loans and Advances in the Nature of Loans to Subsidiaries: ₹ in Lac

Name of the Company	Balance as on		Maximum Amount Outstanding at any time during the Year	
	31st March, 2018	31st March, 2017	2017-18	2016-17
Auro Sundram Ply & Door Private Limited	327.00	351.17	327.00	351.17

40. The Company has paid anti-dumping duty amounting to ₹176.66 Lac (31st March, 2017: ₹176.66 Lac) on import of phenol which in opinion of the management and based on a legal opinion, is in excess of actual margin of dumping of said materials and accordingly refundable in terms of Section 9AA of Custom Tariff Act, 1975 and hence the same is considered as receivable and included under the head Note No. 9 on "Other Current Assets".

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

41. Related Party Disclosure:

(a) Name of the Related Parties and Related Party Relationship:

Related Parties where Control Exists:

Subsidiary Companies	Auro Sundram Ply & Door Pvt. Ltd.
	Ara Suppliers Pvt. Ltd.
	Arham Sales Pvt. Ltd.
	Adonis Vyaper Pvt. Ltd.
	Apnapan Viniyog Pvt. Ltd.
	Centuryply Myanmar Pvt. Ltd.
	Century MDF Ltd.
	Century Ply (Singapore) Pte Ltd.
	Century Infotech Ltd.
	PT Century Ply Indonesia.*
	Century Ply Laos Co. Ltd.
	Innovation Pacific Singapore Pte. Ltd.(till 24.08.2016)
	Vietnam Innovation Pacific JSC (from 19.05.2016-24.08.2016)
	Century Huesoulin Plywood Lao Co. Ltd.**

* Subsidiary till 04.04.2018

**Associate Company from 14.06.2017 to 27.08.2017; Subsidiary w.e.f.28.08.2017

Related Parties with whom Transactions have taken place during the Year:

Key Management Personnel	Sri Sajjan Bhajanka (Chairman and Managing Director)
	Sri Sanjay Agarwal (CEO & Managing Director)
	Sri Prem Kumar Bhajanka (Managing Director)
	Sri Vishnu Khemani (Managing Director)
	Sri Hari Prasad Agarwal (Vice Chairman and Executive Director)
	Sri Ajay Baldawa (Executive Director)
	Sri Keshav Bhajanka (Executive Director)
	Smt. Nikita Bansal (Executive Director w.e.f. 01.02.2017)
	Sri Arun Kumar Julasaria (Chief Financial Officer)
	Sri Sundeep Jhunjhunwala (Company Secretary)
Relatives of Key Management Personnel	Smt. Santosh Bhajanka (Wife of Sri Sajjan Bhajanka)
	Smt. Divya Agarwal (Wife of Sri Sanjay Agarwal)
	Smt. Yash Bala Bhajanka (Wife of Sri Prem Kumar Bhajanka)
	Smt. Sudha Khemani (Wife of Sri Vishnu Khemani)
	Smt. Sumitra Devi Agarwal (Wife of Sri Hari Prasad Agarwal)
	Smt. Shraddha Agarwal (Daughter of Sri Sajjan Bhajanka)
	Smt. Payal Agrawal (Daughter of Sri Sajjan Bhajanka)
	Smt. Sonu Kajaria (Daughter of Sri Sajjan Bhajanka)
	Sri Rajesh Kumar Agarwal (Son of Sri Hari Prasad Agarwal)
	Smt. Bhawna Agarwal (Daughter-in-law of Sri Hari Prasad Agarwal)
	Smt. Nikita Bansal (Daughter of Sri Sanjay Agarwal)
	Smt. Nancy Chowdhury (Daughter of Sri Prem Kumar Bhajanka)
	Sri Abhishek Rathi (Son-in-law of Sri Ajay Baldawa)
	Sri Surender Kumar Gupta (Brother of Sri Prem Kumar Bhajanka)

41. Related Party Disclosure: *(Contd.)*

Enterprises Owned/ Influenced by Key Management Personnel or their relatives.	Brijdham Merchants Pvt. Ltd.
	Star Cement Ltd.
	Sri Ram Merchants Pvt. Ltd.
	Sri Ram Vanijya Pvt. Ltd.
	Sumangal Business Pvt. Ltd.
	Sumangal International Pvt. Ltd.
	Aegis Business Ltd.
	Pacific Plywoods Pvt. Ltd.
	Shyam Century Multiprojects Pvt. Ltd.
	Century LED Ltd.
	Landmark Veneers Pvt. Ltd.

(b) Aggregated Related Party disclosure as at and for the year ended 31st March, 2018

₹ in Lac

Sl.	Type of Transactions	Subsidiaries		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1	**Purchase of Trading Goods**										
	Auro Sundram Ply & Door Pvt. Ltd.	10,309.91	8,366.35	-	-	-	-	-	-	10,309.91	8,366.35
	Century Ply (Singapore) Pte. Ltd.	7,754.40	3,495.17	-	-	-	-	-	-	7,754.40	3,495.17
	Centuryply Myanmar Pvt. Ltd.	3,543.88	5,925.89	-	-	-	-	-	-	3,543.88	5,925.89
2	**Purchase of Raw Materials/ Stores**										
	Centuryply Myanmar Pvt. Ltd.	1,301.17	2,076.74	-	-	-	-	-	-	1,301.17	2,076.74
	Century Ply (Singapore) Pte. Ltd.	198.61	111.54	-	-	-	-	-	-	198.61	111.54
	Innovation Pacific Singapore Pte. Ltd.	-	1,087.47	-	-	-	-	-	-	-	1,087.47
	Star Cement Ltd.	-	-	44.45	59.54	-	-	-	-	44.45	59.54
	Landmark Veneers Pvt. Ltd.	-	-	797.44	197.95	-	-	-	-	797.44	197.95
	Century Led Ltd.	-	-	105.93	52.89	-	-	-	-	105.93	52.89
3	**Sale of Products/Stores & spares**										
	Auro Sundram Ply & Door Pvt Ltd.	574.68	480.09	-	-	-	-	-	-	574.68	480.09
	Century Ply (Singapore) Pte Ltd.	37.46	399.92	-	-	-	-	-	-	37.46	399.92
	Centuryply Myanmar Pvt. Ltd.	43.54	-	-	-	-	-	-	-	43.54	-
	Keshav Bhajanka	-	-	-	-	-	1.73	-	-	-	1.73
	Century Led Ltd.	-	-	-	2.40	-	-	-	-	-	2.40
4	**Sale of Assets**										
	Pacific Plywoods Pvt Ltd.	-	-	-	95.45	-	-	-	-	-	95.45

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

41. Related Party Disclosure: *(Contd.)*

₹ in Lac

Sl.	Type of Transactions	Subsidiaries		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
5	**Services Availed/(Provided)**										
	Aegis Business Ltd.	-	-	3,628.60	1,000.82	-	-	-	-	3,628.60	1,000.82
	Sri Yash Bala Bhajanka	-	-	-	-	-	-	15.10	14.99	15.10	14.99
	Star Cement Ltd.	-	-	-	(4.13)	-	-	-	-	-	(4.13)
	Century Led Ltd.	-	-	(8.60)	(6.39)	-	-	-	-	(8.60)	(6.39)
	Century Ply (Singapore) Pte. Ltd.	(68.29)	(68.08)	-	-	-	-	-	-	(68.29)	(68.08)
	Century Infotech Ltd.	140.10	-	-	-	-	-	-	-	140.10	-
	Century Infotech Ltd.	(8.91)	(11.67)	-	-	-	-	-	-	(8.91)	(11.67)
	Pacific Plywoods Pvt. Ltd.	-	-	1.69	-	-	-	-	-	1.69	-
6	**Reimbursement Paid/ (Received)**										
	Brijdham Merchants Pvt. Ltd.	-	-	-	1.02	-	-	-	-	-	1.02
	Star Cement Ltd.	-	-	0.17	0.46	-	-	-	-	0.17	0.46
	Shyam Century Multi Projects Pvt. Ltd.	-	-	-	(9.66)	-	-	-	-	-	(9.66)
7	**Loan taken**										
	Brijdham Merchants Pvt. Ltd.	-	-	1,284.00	948.00	-	-	-	-	1,284.00	948.00
	Sri Ram Merchants Pvt. Ltd.	-	-	752.00	366.00	-	-	-	-	752.00	366.00
	Sri Ram Vanijya Pvt. Ltd.	-	-	1,906.00	2,007.00	-	-	-	-	1,906.00	2,007.00
	Sumangal Business Pvt. Ltd.	-	-	697.00	122.50	-	-	-	-	697.00	122.50
	Sumangal International Pvt. Ltd.	-	-	813.00	370.50	-	-	-	-	813.00	370.50
	Sri Keshav Bhajanka	-	-	-	-	30.00	30.00	-	-	30.00	30.00
	Sri Sajjan Bhajanka	-	-	-	-	18,654.00	5,650.00	-	-	18,654.00	5,650.00
	Sri Sanjay Agarwal	-	-	-	-	13,345.00	6,682.00	-	-	13,345.00	6,682.00
8	**Loan Repaid**										
	Brijdham Merchants Pvt. Ltd.	-	-	1,284.00	948.00	-	-	-	-	1,284.00	948.00
	Sri Ram Merchants Pvt. Ltd.	-	-	752.00	366.00	-	-	-	-	752.00	366.00
	Sri Ram Vanijya Pvt. Ltd.	-	-	1,906.00	2,007.00	-	-	-	-	1,906.00	2,007.00
	Sumangal Business Pvt. Ltd.	-	-	697.00	122.50	-	-	-	-	697.00	122.50
	Sumangal International Pvt. Ltd.	-	-	813.00	370.50	-	-	-	-	813.00	370.50
	Sri Keshav Bhajanka	-	-	-	-	30.00	30.00	-	-	30.00	30.00
	Sri Sajjan Bhajanka	-	-	-	-	18,654.00	5,650.00	-	-	18,654.00	5,650.00
	Sri Sanjay Agarwal	-	-	-	-	13,345.00	6,682.00	-	-	13,345.00	6,682.00
9	**Investments Made/ (Sold)**										
	Centuryply Myanmar Pvt. Ltd.	-	1,258.73	-	-	-	-	-	-	-	1,258.73
	Century Ply (Singapore) Pte. Ltd.	-	3,433.56	-	-	-	-	-	-	-	3,433.56
	Ara Suppliers Pvt. Ltd.	-	12.93	-	-	-	-	-	-	-	12.93
	Arham Sales Pvt. Ltd.	-	12.93	-	-	-	-	-	-	-	12.93
	Adonis Vyaper Pvt. Ltd.	-	12.93	-	-	-	-	-	-	-	12.93
	Apnapan Viniyog Pvt. Ltd.	-	12.93	-	-	-	-	-	-	-	12.93

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

41. Related Party Disclosure: *(Contd.)*

₹ in Lac

Sl.	Type of Transactions	Subsidiaries		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
10	**Interest Paid**										
	Brijdham Merchants Pvt. Ltd.	-	-	20.03	40.80	-	-	-	-	20.03	40.80
	Sri Ram Merchants Pvt. Ltd.	-	-	19.61	3.57	-	-	-	-	19.61	3.57
	Sri Ram Vanijya Pvt. Ltd.	-	-	40.98	51.36	-	-	-	-	40.98	51.36
	Sumangal International Pvt. Ltd.	-	-	19.74	11.68	-	-	-	-	19.74	11.68
	Sumangal Business Pvt. Ltd.	-	-	17.54	6.02	-	-	-	-	17.54	6.02
	Sri Sajjan Bhajanka	-	-	-	-	436.64	255.45	-	-	436.64	255.45
	Sri Sanjay Agarwal	-	-	-	-	251.87	290.72	-	-	251.87	290.72
	Sri Keshav Bhajanka	-	-	-	-	1.99	0.28	-	-	1.99	0.28
11	**Interest Received**										
	Auro Sundram Ply & Door Pvt. Ltd.	30.00	30.00	-	-	-	-	-	-	30.00	30.00
12	**Dividend Paid**										
	Sri Sajjan Bhajanka	-	-	-	-	250.33	-	-	-	250.33	-
	Sri Sanjay Agarwal	-	-	-	-	241.50	-	-	-	241.50	-
	Smt.Divya Agarwal	-	-	-	-	-	-	167.50	-	167.50	-
	Sri Vishnu Khemani	-	-	-	-	126.08	-	-	-	126.08	-
	Smt Santosh Bhajanka	-	-	-	-	-	-	154.50	-	154.50	-
	Others	-	-	393.29	-	75.84	-	191.93	-	661.05	-
13	**Director's Remuneration Paid**										
	Sri Sajjan Bhajanka	-	-	-	-	120.00	120.00	-	-	120.00	120.00
	Sri Sanjay Agarwal	-	-	-	-	120.00	120.00	-	-	120.00	120.00
	Sri Prem Kumar Bhajanka	-	-	-	-	120.00	120.00	-	-	120.00	120.00
	Sri Vishnu Khemani	-	-	-	-	120.00	120.00	-	-	120.00	120.00
	Sri Hari Prasad Agarwal	-	-	-	-	60.00	60.00	-	-	60.00	60.00
	Sri Ajay Baldawa	-	-	-	-	110.50	92.50	-	-	110.50	92.50
	Smt. Nikita Bansal	-	-	-	-	24.00	4.00	-	-	24.00	4.00
	Sri Keshav Bhajanka	-	-	-	-	50.00	50.00	-	-	50.00	50.00
14	**Salary Paid**										
	Sri Arun Kumar Julasaria	-	-	-	-	101.41	102.29	-	-	101.41	102.29
	Sri Sundeep Jhunjhunwala	-	-	-	-	31.62	27.19	-	-	31.62	27.19
	Smt. Nikita Bansal	-	-	-	-	-	-	-	20.00	-	20.00
	Others	-	-	-	-	-	-	95.11	79.14	95.11	79.14
15	**Advance Given**										
	Century Infotech Ltd.	10.00	-	-	-	-	-	-	-	10.00	-
	Sri Abhishek Rathi	-	-	-	-	-	-	8.40	5.64	8.40	5.64
	Sri Arun Kumar Julasaria	-	-	-	-	70.00	-	-	-	70.00	-
	Sri Sundeep Jhunjhunwala	-	-	-	-	-	6.00	-	-	-	6.00
16	**Advance Received back**										
	Sri Arun Kumar Julasaria	-	-	-	-	70.00	-	-	-	70.00	-
	Sri Abhishek Rathi	-	-	-	-	-	-	6.79	2.35	6.79	2.35
	Sri Sundeep Jhunjhunwala	-	-	-	-	5.00	1.00	-	-	5.00	1.00

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

41. Related Party Disclosure: *(Contd.)*

₹ in Lac

Sl.	Type of Transactions	Subsidiaries		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
17	Balance Outstanding on account of										
A	Receivable/(Payable)										
	Auro Sundram Ply & Door Pvt. Ltd.	(1,557.80)	(1,239.43)	-	-	-	-	-	-	(1,557.80)	(1,239.43)
	Aegis Business Ltd.	-	-	118.51	129.59	-	-	-	-	118.51	129.59
	Century Ply (Singapore) Pte. Ltd.	3,030.70	5,832.62	-	-	-	-	-	-	3,030.70	5,832.62
	Centuryply Myanmar Pvt. Ltd.	(1,773.51)	780.85	-	-	-	-	-	-	(1,773.51)	780.85
	Century Infotech Ltd.	18.91	13.81	-	-	-	-	-	-	18.91	13.81
	Century Led Ltd.	-	-	1.64	(19.36)	-	-	-	-	1.64	(19.36)
	Brijdham Merchants Pvt Ltd.	-	-	-	(1.02)	-	-	-	-	-	(1.02)
	Star Cement Ltd.	-	-	(3.78)	(4.03)	-	-	-	-	(3.78)	(4.03)
	Landmark Veneers Pvt Ltd.	-	-	(155.58)	(138.62)	-	-	-	-	(155.58)	(138.62)
	Sri Abhishek Rathi	-	-	-	-	-	-	4.85	3.29	4.85	3.29
	Sri Sundeep Jhunjhunwala	-	-	-	-	-	5.00	-	-	-	5.00
B	Loans Receivable/(Payable) (Incl. interest)										
	Auro Sundram Ply & Door Pvt. Ltd.	327.00	351.18	-	-	-	-	-	-	327.00	351.18
C	Guarantee Outstanding										
	Century Ply (Singapore) Pte. Ltd.	3,414.60	3,404.10	-	-	-	-	-	-	3,414.60	3,404.10
D	Guarantees Obtained										
	Sri Sajjan Bhajanka	-	-	-	-	94,250.00	1,02,146.00	-	-	94,250.00	1,02,146.00
	Sri Sanjay Agarwal	-	-	-	-	94,250.00	1,02,146.00	-	-	94,250.00	1,02,146.00
	Sri Hari Prasad Agarwal	-	-	-	-	94,250.00	1,02,146.00	-	-	94,250.00	1,02,146.00
E	Director's Remuneration Payable										
	Sri Sajjan Bhajanka	-	-	-	-	6.64	6.44	-	-	6.64	6.44
	Sri Sanjay Agarwal	-	-	-	-	6.63	6.43	-	-	6.63	6.43
	Sri Hari Prasad Agarwal	-	-	-	-	3.57	3.65	-	-	3.57	3.65
	Sri Prem Kumar Bhajanka	-	-	-	-	5.65	4.75	-	-	5.65	4.75
	Sri Ajay Baldawa	-	-	-	-	6.18	6.56	-	-	6.18	6.56
	Smt. Nikita Bansal	-	-	-	-	1.59	1.47	-	-	1.59	1.47
	Sri Keshav Bhajanka	-	-	-	-	3.04	2.96	-	-	3.04	2.96
F	Salary Payable										
	Sri Arun Kumar Julasaria	-	-	-	-	18.07	19.41	-	-	18.07	19.41
	Sri Sundeep Jhunjhunwala	-	-	-	-	2.78	1.26	-	-	2.78	1.26
	Others	-	-	-	-	-	-	5.85	4.16	5.85	4.16

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

41. Related Party Disclosure: *(Contd.)*

(c) **Terms and conditions of transactions with related parties**

1. The sales to/ purchases from/ services availed from/ and services provided to related parties are made on terms equivalent to those that prevail in arm's length transactions.
2. Outstanding balances at the year-end from related parties are unsecured, interest free and will be settled in cash.
3. The Company has given guarantee to one of its subsidiaries for which it charges commission @2% p.a.
4. Employee related recoverable balances are unsecured, interest free and will be settled in cash.
5. The Company has provided loans to its subsidiaries for its business activities. The loan was unsecured and was repayable on demand. The loan outstanding as on 31st March, 2018 carries an interest @ 10%p.a.
6. The Company has taken loan from Enterprises owned/influenced by Key Management Personnel (KMP) or their relatives as well as from KMP's. The loan has been fully repaid during the year. The loan was unsecured and was repayable on demand. The loan carried an interest @6.75% p.a.

42. Fair values measurements

(i) **Financial instruments by category:**

₹ in Lac

	31st March, 2018		31st March, 2017	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Non current financial assets				
(i) Investments	-	2.02	-	0.05
(ii) Loans and advances	-	1,170.96	-	1,000.38
(iii) Other non-current financial assets	-	1,031.02	-	998.49
Current financial assets	-		-	
(i) Trade receivable	-	31,445.71	-	33,527.36
(ii) Cash and cash equivalents	-	1,568.34	-	5299.28
(iii) Bank balances other than above	-	82.92	-	85.14
(iv) Loans and advances	-	1,390.19	-	461.19
(v) Other current financial assets	-	5,408.89	-	8252.04
Total Financial assets	-	**42,100.05**	-	**49,623.93**
Non current financial liabilities	-		-	
(i) Borrowings	-	16,693.81	-	14,674.86
(ii) Other non-current financial liabilities	-	-	-	-
Current financial liabilities	-		-	
(i) Borrowings	-	33,528.43	-	41,033.90
(ii) Trade payables	-	17,643.13	-	14,109.72
(iii) Other current financial liabilities	-	10,186.86	-	9,109.70
Total Financial liabilities	-	**78,052.23**	-	**78,928.18**

Notes:-

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

43. Financial Risk Management-Objectives and Policies

The Company's financial liabilities comprise long term borrowings, short term borrowings, capital creditors, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents, investment in subsidiaries at cost and deposits.

The Company is exposed to market risk and credit risk. The Company has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate risk governance framework for the Company. The audit committee provides assurance to the Company's management that the Company's risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

a. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of assets and liabilities.

₹ in Lac

Change in Foreign Currency rates	Effect on Profit before Tax	
	As on 31st March, 2018	As on 31st March, 2017
5%	-1,909.88	-1,268.65
-5%	1,909.88	1,268.65

b. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Lac

	Increase/ decrease in basis points	Effect on profit before tax
31st March, 2018	+50	(285.10)
	-50	285.10
31st March, 2017	+50	(133.67)
	-50	133.67

43. Financial Risk Management-Objectives and Policies *(Contd.)*

(ii) Credit Risks

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

The Company implements a credit risk management policy under which the Company only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness.

Trade Receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on credit losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note No. 12 as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

Credit risk also arises from transactions with financial institutions, and such transactions include transactions of cash and cash equivalents, various deposits, and financial instruments such as derivative contracts. The Company manages its exposure to this credit risk by only entering into transactions with banks that have high ratings. The Company's treasury department authorizes, manages, and oversees new transactions with parties with whom the Company has no previous relationship.

Furthermore, the Company limits its exposure to credit risk of financial guarantee contracts by strictly evaluating their necessity based on internal decision making processes, such as the approval of the board of directors.

Credit risk exposure

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. The maximum exposure to credit risk as of 31st March, 2018 and 31st March, 2017 are as follows:

₹ in Lac

	31st March, 2018	31st March, 2017
Cash and cash equivalents	1,568.34	5,299.28
Other Bank balances	82.92	85.14
Loans and other receivables	1,390.19	461.19
Trade receivable (Net)	31,445.71	33,527.36
	34,487.16	**39,372.97**

Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

₹ in Lac

Trade Receivables (measured under life time excepted credit loss model)	31st March, 2018	31st March, 2017
Loss Allowance at the beginning of the year	762.58	541.95
Add: Loss Allowance provided during the year	124.99	220.63
Less: Write Off	-	-
Less: Loss Allowance reversed during the year	-	-
Loss Allowance at the end of the year	**887.57**	**762.58**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

43. Financial Risk Management-Objectives and Policies *(Contd.)*

The ageing of trade accounts and notes receivable as of 31st March, 2018 and 31st March, 2017 are as follows:

₹ in Lac

Particulars	31st March, 2018	31st March, 2017
Not due	21,079.20	19,836.50
Overdue less than 6 months	8,093.86	9,513.80
more than 6 months - 12 months	927.61	2,445.78
more than 12 months - 24 months	1,137.74	1,615.52
over 24 months	1,094.87	878.34
Gross Amount	**32,333.28**	**34,289.94**
Less: Expected Credit Loss	887.57	762.58
Sundry Debtors Balance	**31,445.71**	**33,527.36**

No significant changes in estimation techniques or assumptions were made during the reporting period

(iii) Liquidity Risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required; such credit facilities are reviewed at regular intervals. Thus, no liquidity risk is perceived at present.

Availability of Liquidity is as follows

₹ in Lac

Particulars	31st March, 2018	31st March, 2017
Cash and Cash Equivalent	1,568.34	5,299.28
Availability under committed credit facilities	23,325.87	14,735.71

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in Lac

Particulars	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 years	Total
Year ended 31st March, 2018						
Borrowings	33,528.43	2,880.21	2,343.63	4,443.35	-	43,195.62
Other financial liabilities	10,186.86	-	-	-	-	10,186.86
Trade payables	17,643.13	-	-	-	-	17,643.13
	61,358.42	**2,880.21**	**2,343.63**	**4,443.35**	-	**71,025.61**
Year ended 31st March, 2017						
Borrowings	41,033.90	3,358.12	3,083.41	4,936.64	3,296.69	55,708.76
Other financial liabilities	9,109.70	-	-	-	-	9,109.70
Trade payables	14,109.72	-	-	-	-	14,109.72
	64,253.32	**3,358.12**	**3,083.41**	**4,936.64**	**3,296.69**	**78,928.18**

44. The Company's Segment Information as at and for the year ended 31st March, 2018 are as below:

₹ in Lac

Sl	Particulars	Plywood	Laminate	MDF	Plain Particle Board	CFS Services	Others	Total
a	**Revenue (Gross)**							
	External Sales	129435.25	43304.20	11311.70	2727.89	9944.29	3480.39	200203.72
		(135606.51)	(41227.79)	(336.51)	(1854.21)	(8800.71)	(4207.43)	(192033.16)
	Inter-segment Sales	-	-	-	1917.36	23.72	294.90	2235.98
		-	-	-	(665.02)	(40.65)	(170.25)	(875.92)
	Total Revenue (Gross)	129435.25	43304.20	11311.70	4645.25	9968.01	3775.29	202439.70
		(135606.51)	(41227.79)	(336.51)	(2,519.23)	(8841.36)	(4377.68)	(192909.08)
b	**Result**							
	Segment Results	16890.88	5382.66	(245.57)	(390.61)	2819.63	(142.06)	24314.93
		(21439.53)	(5194.65)	(-15.54)	(-694.35)	(2353.84)	(-767.89)	(27510.24)
	Unallocated Income/ (Expenses) (Net of unallocated expenses/income)							-1146.08
								(-1277.04)
	Operating Profit							23168.86
								(26233.19)
	Finance Cost							3267.76
								(2864.23)
	Tax Expense							4237.36
								(4813.15)
	Net Profit							15663.73
								(18555.81)
	Other Information							
a	**Total Assets**							
	Segment Assets	62748.85	24946.58	39021.67	5115.23	5066.69	1405.35	138304.37
		(69229.46)	(20154.77)	(28865.68)	(5858.57)	(5791.62)	(1213.83)	(131113.93)
	Unallocated Corporate/ Other Assets							27623.23
								(24358.32)
								165927.60
								(155472.25)
b	**Total Liabilities**							
	Segment Liabilities	18482.27	4816.33	2669.49	90.91	1067.95	477.09	27604.04
		(15258.64)	(4122.84)	(2414.86)	(184.19)	(839.70)	(657.37)	(23477.60)
	Unallocated / Other Liabilities							54528.58
								(61131.95)
								82132.62
								(84609.55)
c	**Capital Expenditure**	5988.57	5449.93	8967.07	167.34	399.90	1.08	20973.89
		(2703.21)	(983.70)	(22579.02)	(1503.42)	(643.52)	(0.29)	(28413.16)
	Unallocated Capital Expenditure							3696.08
								(1307.57)
d	**Depreciation/ Amortisation**	2034.19	1218.04	2390.54	1457.25	1002.56	1.42	8104.00
		(1894.98)	(1020.82)	-	(1209.54)	(1087.24)	(24.99)	(5237.57)

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

44. The Company's Segment Information as at and for the year ended 31st March, 2018 are as below: *(Contd.)*

₹ in Lac

Sl	Particulars	Plywood	Laminate	MDF	Plain Particle Board	CFS Services	Others	Total
e	Geographical Segment							
	i. Revenue (Gross)							
	India							190390.18
								(183057.06)
	Overseas							9813.55
								(8976.10)
	ii. Carrying amount of Segment Assets							
	India							136381.41
								(129012.16)
	Overseas							1922.96
								(2101.77)

Note:- Previous years figures are in bracket

Notes:

(a) Business Segments: The business segments have been identified on the basis of the products of the Company. Operating Segment disclosed are consistent with the information provided to and reviewed by the Chief Operating Decision Maker (CODM). Accordingly, the Company has identified following business segments:

Plywood	-	Plywood, Block-Board, Veneer & Timber
Laminate	-	Decorative Laminates & Pre-laminated Boards
MDF	-	Medium Density Fibre Boards
Plain Particle Board	-	Plain Particle Board
CFS Services	-	Container Freight Stations services
Others	-	Mainly Trading of Chemicals, Minerals, Readymade Furniture and Equipment's

(b) Geographical Segments: The Company primarily operates in India and therefore the analysis of geographical segments is demarcated into India and overseas operations.

(c) Company's Property Plant and Equipment (PPE) are located only in India. Hence separate figures for same have not been furnished.

45. Events occurring after the Balance Sheet date

Proposed Dividend

The Board of Directors at its meeting held on 16th May, 2018 have recommended a payment of final dividend of ₹1 per equity share of face value of ₹1 each for the financial year ended 31st March, 2018. The same amounts to ₹2,674.02 Lac (including dividend distribution tax of ₹452.29 Lac).

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

46. Earning per Share (EPS)

In terms of Ind AS- 33 on "Earning Per Share" the calculation of EPS is given below: -

	2017-18	2016-17
Profit as per the Statement of Profit & Loss (₹ in Lac)	15,663.73	18,555.81
Profit available for Equity Shareholders(₹ in Lac)	15,663.73	18,555.81
Weighted average number of Equity Shares outstanding during the year	22,21,72,990	22,21,72,990
Nominal value of equity shares (₹)	1	1
Basic and Diluted earnings per share (EPS) (₹)	**7.05**	**8.35**

47. Charity and Donations includes ₹6.50 Lac (₹500 Lac) paid to political parties.

48. The financial statements are approved by the Audit Committee at its meeting held on 16th May, 2018 and by the Board of Directors on the same date.

For Singhi & Co.
Firm Registration No. - 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518

Place: Kolkata
Date:16th May 2018

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & Managing Director
DIN:00246132

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To,
THE MEMBERS OF
CENTURY PLYBOARDS (INDIA) LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Century Plyboards (India) Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding and its subsidiaries together referred to as "the Group") comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company , as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

   We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

5. We believe that the audit evidence obtained by us and other auditors in term of their reports, referred to in paragraph 7 on "Other Matter" is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to below in the Other Matters paragraph, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

7. We did not audit the financial statements/ Financial information of seven subsidiaries whose financial statements/ Financial information reflect total assets of ₹6278.08 Lac and net assets ₹3019.81 Lac as at March 31, 2018 and total revenues of ₹10173.20 Lac, total comprehensive income of ₹624.53 Lac for the year ended on that date and net cash inflow of ₹112.15 Lac, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

8. We did not audit the financial statements / financial information of two foreign subsidiaries, whose financial statements / financial information reflect total assets of ₹17917.82 Lac and net assets ₹10693.33 Lac as at March 31, 2018, total revenue of ₹19734.95 Lac and total comprehensive income of ₹323.02 Lac for the year ended on that date and net cash outflow of ₹989.45 Lac, as considered in the consolidated financial statements. This financial statements / financial information are audited as per the local law of the respective country and have been converted by the management of the Company into Ind-AS complaint financial statements. Our opinion on the statement in so far as relates to the amounts included in respect of this subsidiary is based solely on such management certified financial statements.

   Our opinion on the statement is not qualified in respect of the above matters with regard to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

9. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the "Other Matter" paragraph, we report to the extent applicable that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding Company and subsidiary companies incorporated in India. Our report express an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's and Subsidiary Companies', incorporated in India, internal financial control over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note No. 35 (ii) of the consolidated financial statements.

ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India; and

(h) The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

For Singhi & Co.,
Chartered Accountants
Firm's Registration No. 302049E

(Rajiv Singhi)
Partner
Membership No. 053518

Place: Kolkata
Date: 16th day of May, 2018

Annexure - A to the Independent Auditor's Report

(Referred to in paragraph 9 (f) with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of Century Plyboards (India) Limited for the year ended 31st March, 2018)

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of Century Plyboards (India) Limited ('the Holding Company') and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

   We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in paragraph 7 below on 'Other Matters', is sufficient and appropriate to provide a basis for our audit opinion on Company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

4. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance

with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

6. In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

7. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to seven subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our Opinion is not modified in respect of above matters.

For Singhi & Co.,
Chartered Accountants
Firm's Registration No. 302049E

(Rajiv Singhi)
Partner
Membership No. 053518

Place: Kolkata
Date: 16th day of May, 2018

CENTURYPLY®

CONSOLIDATED BALANCE SHEET as at 31st March, 2018

₹ in Lac

	Notes	31st March, 2018	31st March, 2017
A ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	64,747.09	30,412.64
Capital Work-in-Progress	3	12,613.62	29,880.19
Investment Property	5	610.16	610.16
Goodwill	4	28.09	28.09
Intangible Assets	4	118.85	155.11
Intangible Assets under developement	4	29.41	27.68
		78,147.22	**61,113.87**
Financial Assets			
Investments	6	2.02	0.05
Loans and Advances	7	1,207.68	1,026.08
Other financial assets	8	32.53	-
Deferred Tax Assets	9	6,902.78	6,886.91
Other non-current assets	10	1,675.19	2,435.61
		9,820.20	**10,348.65**
Current Assets			
Inventories	11	38,275.72	30,062.48
Financial Assets			
Trade Receivables	12	35,720.14	34,217.52
Cash and cash equivalents	13	2,028.83	6,637.07
Bank Balances other than above	13	82.92	85.14
Loans and Advances	7	1,329.75	389.28
Current Tax Assets		525.02	-
Other financial assets	8	1,124.18	7,662.28
Other current assets	10	5,489.00	7,973.06
		84,575.56	**87,026.83**
TOTAL ASSETS		**1,72,542.98**	**1,58,489.35**
B EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	2,225.27	2,225.27
Other Equity	15	82,930.13	69,265.45
		85,155.40	**71,490.72**
Non Controlling Interest		1,839.36	1,199.24
		86,994.76	**72,689.96**
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	16	16,693.81	14,674.86
Other financial liabilities	17	-	9.00
Other non-current liabilities	18	91.69	52.91
Provisions	23	1,008.80	1,037.72
Deferred Tax Liability	9	229.20	138.01
		18,023.50	**15,912.50**
Current Liabilities			
Financial Liabilities			
Borrowings	19	36,767.61	41,955.61
Dues to micro and small enterprises	20	347.66	138.76
Dues to others	20	17,180.61	13,959.43
Other Financial Liabilities	21	10,236.84	9,111.79
Other Current Liabilities	22	2,796.00	3,887.52
Provisions	23	188.32	114.99
Current tax liabilities (Net)	24	7.68	718.79
		67,524.72	**69,886.89**
TOTAL EQUITY AND LIABILITIES		**1,72,542.98**	**1,58,489.35**
Significant Accounting Policies and Key Judgements, Estimates and Assumptions	2		

The accompanying notes form an integral part of the consolidated financial statements 3-53
This is the Balance Sheet referred to in our report of even date

For Singhi & Co.
Firm Registration No. - 302049E
Chartered Accountants
Rajiv Singhi
Partner
Membership No. 053518

Place: Kolkata
Date:16th May, 2018

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & Managing Director
DIN:00246132

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2018

₹ in Lac

	Notes	2017-2018	2016-2017
INCOME			
Revenue from Operations	25	2,06,000.09	1,96,186.23
Other Income	26	787.36	2,255.25
Total Income		**2,06,787.45**	**1,98,441.48**
EXPENSES			
Cost of Materials Consumed	27	92,703.75	70,373.08
Purchase of Stock-in-Trade		11,517.04	20,438.66
Changes in inventories of Finished Goods,Stock-in-Trade and Work-in-Progress	28	(5,623.21)	(1,303.10)
Employee Benefits Expense	29	31,291.30	27,300.58
Finance Cost	30	3,583.47	3,021.45
Depreciation and Amortisation Expense	31	9,066.44	5,933.95
Excise Duty	32	3,605.67	14,313.15
Other Expenses	33	39,400.36	33,865.92
Total Expenses		**1,85,544.82**	**1,73,943.69**
Profit before Taxation		**21,242.63**	**24,497.79**
Tax Expenses			
Current Tax		4,522.95	5,271.78
Less: MAT credit entitlement		95.38	158.52
Net Current Tax Expense		**4,427.57**	**5,113.26**
Deferred Tax		201.09	36.61
Total Tax Expenses		4,628.66	5,149.87
Profit for the year before non controlling interest		**16,613.97**	**19,347.92**
Other Comprehensive Income			
A. Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods:			
Re-Measurement gains/(losses) on defined benefit plans		(74.67)	(348.75)
Income tax relating to items that will not be Reclassified to Profit & Loss		30.40	105.28
B. Other Comprehensive Income will be reclassified to profit or loss in subsequent periods:			
Exchange difference in respect of Non integral foreign operations		(130.01)	-
Income tax relating to items that will be Reclassified to Profit & Loss		-	-
Total Other Comprehensive Income		(174.28)	(243.47)
Total Comprehensive Income for the year		16,439.69	19,104.45
Profit for the year			
Attributable to:			
Equity holders of the parent		16306.07	19046.06
Non-controlling interests		307.90	301.86
Total Comprehensive Income for the year			
Attributable to:			
Equity holders of the parent		16125.34	18824.42
Non-controlling interests		314.35	280.03
Earnings per equity share (nominal value of share ₹1/-(Previous Year ₹1/-))			
Basic and Diluted (₹)	49	7.34	8.57
Significant Accounting Policies and Key Judgements, Estimates and Assumptions	2		

The accompanying notes form an integral part of the financial statements 3-53

This is the Statement of Profit & Loss referred to in our report of even date

For Singhi & Co.
Firm Registration No. - 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518

Place: Kolkata
Date:16th May, 2018

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & Managing Director
DIN:00246132

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

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CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2018

₹ in Lac

		2017-2018	2016-2017
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax	21,242.63	24,497.79
	Adjustments for :		
	Depreciation/Amortisation	9,066.44	5,933.95
	Finance Cost	3,583.47	3,021.45
	(Profit)/Loss on disposal of Property, Plant and Equipment	33.43	(59.84)
	(Profit) on Sale of Current Investments	(170.35)	(0.98)
	Irrecoverable Debts Written Off	124.70	9.45
	Provision for Doubtful Debts provided / (written back)	48.29	(106.92)
	Unspent Liabilities Written Back	(0.06)	(0.32)
	Unrealised Foreign Exchange Fluctuations Loss	477.44	(1,586.49)
	Interest Income from financial assets at amortised cost	(368.22)	(11.94)
	Operating Profit before Working Capital Changes	**34,037.77**	**31,696.15**
	Adjustments for :		
	(Increase) in Trade Receivables	(1,553.73)	(5,550.14)
	(Increase) in Inventories	(8,213.24)	(312.80)
	(Increase)/Decrease in Financial Assets	9,624.37	(7,247.28)
	(Increase) in Other Assets	(744.50)	604.88
	Increase/(Decrease) in Long Term Provisions	44.41	-
	Increase in Short Term Provisions	(30.26)	126.17
	Increase in Financial Liabilities	794.23	876.19
	Increase in Other Liabilities	(1,150.79)	492.75
	Increase/(Decrease) in Trade Payables	3,412.14	5,652.48
		2,182.63	**(5,357.75)**
	Cash Generated from Operations	36,220.40	26,338.40
	Direct Taxes paid (Net)	(5,759.08)	(4,288.30)
	Net Cash Flow from Operating Activities	**30,461.32**	**22,050.10**
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment	(24,751.68)	(30,702.08)
	Sale of Property, Plant and Equipment	255.11	234.71
	Purchase of Current Investments	(27,700.00)	(1,000.00)
	Purchase of Long Term Investments	(2.02)	-
	Sale of Long Term Investments	-	17.82
	Sale of Current Investments	27,870.35	1,001.50
	Loans (Given)/Refunds (Net)	(1,000.00)	-
	Interest Received	287.34	13.26
	Net Cash Flow used in Investing Activities	**(25,040.90)**	**(30,434.79)**

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2018

₹ in Lac

	2017-2018	2016-2017
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Loans	2,005.88	13,091.58
Repayment of Long Term Loans	(450.47)	(5,069.10)
Proceeds from Short Term Borrowings	2,696.03	15,942.22
Repayment of Short Term Borrowings	(8,339.73)	(9,871.30)
Issue of Shares by Subsidiary	325.77	150.00
Preliminary Expenses	-	-
Interest Paid (Including Interest Capitalized)	(2,790.37)	(2,505.36)
Other Borrowing Cost Paid	(805.21)	(515.87)
Dividend Paid	(2,220.46)	(1.21)
Tax on Dividend	(452.29)	-
Net Cash Flow from Financing Activities	**(10,030.85)**	**11,220.96**
	(4,610.43)	**2,836.27**
Cash & Cash Equivalents - Opening Balance	6,722.21	3,885.94
Cash & Cash Equivalents - Closing Balance	2,111.75	6,722.21

The accompanying notes form an integral part of the financial statements

Notes:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on 'Statement of Cash Flow'

2 Cash and Cash Equivalents include ₹82.92 Lac (Previous Year ₹85.14 Lac) available for restricted use (Refer Note No. - 13). The restrictions are mainly on account of cash and bank balances held as margin money deposit against bank guarantees and unclaimed dividends.

3 Reconciliation between opening and closing balance's of liabilities arising from financing activities.

₹ in Lac

Particulars	Liabilities from financing activities		
	Term Loan from Banks & Financial Institutions	Current Borrowings	Finance Lease Obligation
Balance as at 1st April, 2017	18,027.57	41,955.61	1,159.52
Accrued interest but not due as at 1st April, 2017	18.16	122.94	4.26
Cash Flow (Net)	2,005.88	(5,643.70)	(450.47)
Non Cash Changes			
Forex	32.53	455.70	
Interest & Other Borrowing Cost Paid	(618.72)	(2,889.41)	(87.45)
Accrued interest but not due as at 31st March, 2018	-	133.25	-
Balance as at 31st March, 2018	20,065.98	36,767.61	709.05

4 Previous year's figures have been rearranged and/or regrouped, wherever necessary

As per our Report of even date
For Singhi & Co.
Firm Registration No. - 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518

Place: Kolkata
Date:16th May, 2018

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & Managing Director
DIN:00246132

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2018

A) Equity Share Capital

	Nos.	₹ in Lac
On 1st April, 2016*	22,21,72,990	2,225.27
Changes in equity share capital during the year	-	-
Balance at 31st March, 2017*	22,21,72,990	2,225.27
Changes in equity share capital during the year	-	-
Balance at 31st March, 2018*	**22,21,72,990**	**2,225.27**

* Includes amount ₹3.54 Lac received on forfeited shares (FY 2001-02)

B) Other Equity

₹ in Lac

Particulars	Reserves and Surplus						Other Comrehensive Income (OCI)-Foreign Currency Translation Reserve	Total	Non Controlling Interest	Total Equity
	Securities Premium Account (Note No. 18)	Amalgama-tion Reserve	Retained Earnings	Capital Redemption Reserve	General Reserve	Capital Reserve				
Balance at 31st March, 2016	1,892.77	317.40	46,848.20	50.00	990.19	2.89	556.89	50,658.34	902.08	51,560.42
Profit for the year	-	-	19,046.06	-	-	-	-	19,046.06	301.86	19,347.92
Other Comprehensive Income for the year, net of tax	-	-	(243.47)	-	-	-	-	(243.47)	-	(243.47)
Adjustment on cession of subsidiaries	-	-	(55.02)	-	-	(2.89)	(1.46)	(59.37)	(106.80)	(166.17)
On acquisition of subsidiary during the year	-	-	-	-	-	55.51	-	55.51	-	-
Exchange difference in respect of Non integral foreign operations	-	-	-	-	-	-	(191.62)	(191.62)	-	-
Changes in Non Controlling Interest for further issue of capital	-	-	-	-	-	-	-	-	102.10	102.10
Balance at 31st March, 2017	1,892.77	317.40	65,595.77	50.00	990.19	55.51	363.81	69,265.45	1,199.24	70,464.69
Adjustments										
Profit for the year	-	-	16,306.08	-	-	-	-	16,306.08	307.90	16,613.98
Other Comprehensive Income for the year, net of tax	-	-	(44.27)	-	-	-	-	(44.27)	-	(44.27)
On acquisition of subsidiary during the year	-	-	-	-	-	206.90	-	206.90	332.22	539.12
Exchange difference in respect of Non integral foreign operations	-	-	-	-	-	-	(130.01)	(130.01)	-	(130.01)
Payment of Final Dividend for the year 2016-17 (Refer Note No. 50)	-	-	(2,221.73)	-	-	-	-	(2,221.73)	-	(2,221.73)
Tax on final dividend for the year 2016-17	-	-	(452.29)	-	-	-	-	(452.29)	-	(452.29)
Changes in Non Controlling Interest for further issue of capital	-	-	-	-	-	-	-	-	-	-
Balance at 31st March, 2018	**1,892.77**	**317.40**	**79,183.56**	**50.00**	**990.19**	**262.41**	**233.80**	**82,930.13**	**1,839.36**	**84,769.49**

The accompanying notes are an integral part of the Consolidated financial statements .

This is the statement of changes in Equity referred to in our report of even date

As per our Report of even date

For Singhi & Co.
Firm Registration No. - 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518

Place: Kolkata
Date:16th May, 2018

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & Managing Director
DIN:00246132

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

1. Corporate Information

The consolidated financial statements comprise financial statements of Century Plyboards (India) Ltd. (the Company) and its subsidiaries (collectively, the Group) for the year ended 31st March, 2018. The Company is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange of India Ltd. and BSE Limited. The Company is primarily engaged in manufacturing and sale of Plywood, Laminates, Decorative Veneers, Medium Density Fibre boards, Pre-laminated boards, Particle Board and Flush Doors and providing Container Freight Station services. The Company presently has manufacturing facilities near Kolkata, Karnal, Guwahati, Hoshiarpur, Kandla and Chennai. Container Freight station is located near Kolkata port.

2. Significant Accounting Policies and Key Estimates and Judgements

2.1 Basis of Preparation

These consolidated financial Statements relate to Century Plyboards (India) Limited. The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standard) Rules, 2015 and other relevant provision of the Act.

The group has adopted all the Ind As standards effective 1st April, 2016 and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with 1st April, 2015 as the transition date . The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act , read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets measured at fair value as described in accounting policies regarding financial instruments.

The consolidated financial statements have been prepared under the historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value:

- Financial instruments - Measured at fair value;
- Plan assets under defined benefit plans - Measured at fair value; and

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statement is determined on such a basis, except for share-based payment transactions, leasing transactions and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets. The basis of fair valuation of these items are given as part of their respective accounting policies.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The consolidated financial statements are presented in Indian Rupees which is the Functional Currency and all values are rounded to nearest Lakhs with two decimal except when otherwise indicated.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March, 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as on the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation Procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill or capital reserve.

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(d) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are translated at the average rates prevailing during the period. Assets, liabilities and equity are translated at the closing rate. Any exchange difference arising on translation is recognized in the "Foreign Currency Translation Reserve".

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including any goodwill) and liabilities of the subsidiary.
- De-recognises the carrying amount of any non-controlling interests.
- De-recognises the cumulative translation differences recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Summary of Significant Accounting Policies

a) Business Combinations

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1st April, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

b) Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

c) **Current versus Non-Current Classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in Group normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in Group's normal operating cycle.
- held primarily for the purpose of trading.
- due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

d) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Group considers that recovery of excise duty flows to the Group on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty. Accordingly, it is considered for valuation of finished goods stock lying in the factories and branches as on the Balance Sheet date.

However, Sales Tax/ Value Added Tax (VAT)/ Goods and Service Tax (GST) is not received by the Group on its own account. These are collected on behalf of the government and accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from the sale of goods is recognised on transfer of significant risks and rewards of ownership to customers based on the contract with the customers for delivery. Revenue from the sale of goods is net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from services are recognized pro-rata as and when the services are rendered. The Group collects service tax on behalf of the government and therefore, it is not an economic benefit flowing to the Group and hence excluded from revenue.

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims

Insurance and other claims are accounted for as and when accepted.

e) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

f) Taxes

Tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current tax & deferred tax.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (MAT Credit Entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

g) Property, Plant and Equipment

Property, Plant and Equipment (PPE) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Expenditure directly attributable to expansion projects are capitalised. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not related to the project nor are incidental thereto, are charged to Statement of Profit and Loss.

Depreciation on PPE is provided under Written Down Value method or Straight Line method, as appropriate, at the rates determined based on useful lives of the respective assets and residual values.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss, if any.

The Group has intangible assets with finite useful lives.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets (Computer Software) are amortised on a Written Down value method over a period of 5 years.

i) Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

All other repair and maintenance costs are recognised in profit or loss as incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

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 Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainity that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments as per terms of the agreement are recognised as an expense in the statement of profit and loss.

l) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

(i) Raw materials, Stores and Spares: These are valued at lower of cost and net realisable value. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

(ii) Finished goods and work in progress: These are valued at lower of cost and net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of finished goods also includes excise duty. Cost is determined on weighted average basis.

(iii) Traded goods: These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

m) Impairment of Non-Financial Assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

n) Retirement and Other Employee Benefits

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the group recognizes contribution payable to the provident fund scheme as expenditure when an employee renders the related service.

The Group has no obligations other than the contribution payable to the respective funds.

Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Short term compensated absences are provided for based on estimates.

The Group treats accumulated leaves expected to be carried forward beyond twelve months as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Group does not have an unconditional right to defer the settlement for the period beyond 12 months and accordingly entire leave liability is shown as current liability.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to the statement of profit or loss in subsequent periods.

o) Foreign Currency Translation

The Group's consolidated financial statements are presented in INR, which is also the parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Transactions in foreign currencies are initially recorded in reporting currency by the Group at spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit and loss, respectively).

On consolidation of subsidiaries, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

p) Financial Instruments

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

Financial Assets

(i) Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the settlement date, i.e., the date that the asset is delivered to or by the Group which generally coincides with the trade date.

(ii) Subsequent Measurement

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

(a) Debt Instruments at Amortised Cost

(b) Equity instruments at fair value through profit or loss (FVTPL)

(a) Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

(b) Equity instruments at fair value through profit or loss (FVTPL)

All equity investments in scope of Ind AS 109 are measured at fair value except equity investments in subsidiaries which are measured at cost as per Ind AS 27. For equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's balance sheet) when the rights to receive cash flows from the asset have expired.

(iv) Impairment of Financial Assets

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

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

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

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

Financial Liabilities

(i) Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) De-recognition

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

(iv) Offsetting of Financial Instruments

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Derivative Financial Instruments

Initial Recognition and Subsequent Measurement

The Group uses derivative financial instruments, such as forward contracts, interest rate swaps, etc. to hedge its foreign currency risks and interest rate risks and are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

q) Fair Value Measurement

The Group measures financial instruments, such as, quoted investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities .

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

r) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

s) Cash Dividend to Equity Holders

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t) Earning per Share

An earning per share is calculated by dividing the net profit or loss before OCI for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

u) Segment Reporting

The Group's operating business segments are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the group operate.

v) Provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

w) **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 Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

2.3 Critical accounting judgment and key sources of estimation uncertainty

The application of accounting policies requires management to make estimates and judgments in determining certain revenues, expenses, assets, and liabilities. The following paragraphs explains areas that are considered more critical, involving a higher degree of judgment and complexity.

a. **Impairment of non-current assets -** Ind AS 36 requires that the group assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the group's market capitalization, significant changes in the group's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

   In accordance with Ind AS 36, goodwill and certain intangible assets are reviewed at least annually for impairment. If a loss in value is indicated, the recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the group's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the group for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

   Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The group uses internal business plans, quoted market prices and the group's best estimate of commodity prices, currency rates, discount rates and other relevant information. The group does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes.

b. **Defined Benefit Plans**

   The cost of the employment benefits such as gratuity, leave and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

   The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

   The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

   Further details about gratuity obligations are given in Note No. 34

c. **Environmental liabilities and Asset Retirement Obligation (ARO)** – Estimation of environmental liabilities and ARO require interpretation of scientific and legal data, in addition to assumptions about probability and future costs.

d. **Taxes** – The group calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

e. **Classification of leases** – The group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

f. **Useful lives of depreciable/ amortisable assets (tangible and intangible) -** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment

g. **Expected Credit Loss Model -** The group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Financial Assets. The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. As a practical expedient, the group uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.

2.4 Standards Issued but not yet Effective

The standard issued but not yet effective up to the date of issuance of the Group's financial statements is disclosed below. The Group intends to adopt this standard when it becomes effective.

a. **Ind AS 115-Revenue from Contracts with Customers-** The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above .The new standard will come into force from accounting period commencing on or after 1st April, 2018.It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The standard is likely to affect the measurement, recognition and disclosure of revenue. The Group has evaluated and there is no material impact of this amendment on the Financial Statement of the Group except disclosure. The Group will adopt the Ind AS 115 on the required effective date.

b. **Ind AS 21, The Effect of Changes in Foreign Exchange Rates -** The amendments to Ind AS 21 addresses issue to determine the date of transactions for the purpose of determining the exchange rate to be used on initial recognition of related assets, expenses or income when entity has received or paid advances in foreign currencies by incorporating the same in Appendix B to Ind AS 21. The amendment will come into force from accounting period commencing on or after 1st April, 2018. The Group has evaluated this amendment and impact of this amendment will not be material.

c. **Amendments to other Ind AS**

The Companies (Indian Accounting Standards) Amendment Rules, 2018 has also made amendments to :

Ind AS 12 - Income Taxes,

Ind AS 28 - Investment in Associates and Joint Ventures,

Ind AS 40 - Investment Property.

These rules come into force from 1st April, 2018. The Group has evaluated these amendments and as per assessment impact of amendment to Ind AS 12, amendment to Ind AS 40 and Ind AS 28 will not have any material impact on the financial statement of the Group. The Group will adopt above amendments from required effective date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

3. Property, Plant and Equipment

₹ in Lac

Particulars	Freehold Land	Factory Buildings	Non-Factory Buildings on Freehold Land	Non-Factory Buildings on Leasehold Land	Storage Yard on Leasehold Land	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipments	Computers	Vehicles (a)	Total
At 1st April, 2016	2,611.38	5,581.87	3,250.72	516.01	2,241.43	11,132.24	802.98	501.46	347.47	426.67	1,985.22	29,397.45
Additions	299.53	1,361.57	608.20	12.21	156.83	8,308.25	418.68	124.83	122.46	81.51	268.49	11,762.56
Foreign Currency Translation Adjustment	-	(15.19)	-	-	-	(86.22)	(4.37)	(0.53)	(0.32)	(0.15)	(0.41)	(107.19)
Disposals / deductions / adjustment	17.87	-	-	-	-	70.92	8.71	120.85	12.60	13.46	22.84	267.25
Adjustment on cessation of subsidiaries	-	0.01	-	-	-	1.43	-	-	-	-	-	1.44
At 31st March, 2017	**2,893.04**	**6,928.24**	**3,858.92**	**528.22**	**2,398.26**	**19,281.92**	**1,208.58**	**504.91**	**457.01**	**494.57**	**2,230.46**	**40,784.13**
Acquition of subsidiary												
Additions	3,459.01	5,451.08	1,126.95	27.66	-	31,047.03	1,505.22	77.38	214.70	193.79	482.85	43,585.67
Foreign Currency Translation Adjustment	-	(2.08)	-	-	-	44.92	-0.60	-0.07	-0.02	-0.02	-0.06	42.07
Disposals / deductions / adjustment	-	-	-	-	-	307.12	2.30	2.45	2.21	11.57	5.35	331.00
At 31st March, 2018	**6,352.05**	**12,377.24**	**4,985.87**	**555.88**	**2,398.26**	**50,066.75**	**2,710.90**	**579.77**	**669.48**	**676.77**	**2,707.90**	**84,080.87**
Accumulated Depreciation												
As at 1st April, 2016	-	519.51	222.11	73.15	459.29	2,242.06	181.73	120.37	134.51	179.55	459.46	4,591.74
Charge for the Year	-	519.50	230.25	63.49	470.49	3,495.55	188.03	108.85	117.32	153.12	520.09	5,866.69
Foreign Currency Translation Adjustment	-	(1.68)	-	-	-	8.67	(1.04)	(0.16)	(0.11)	(0.06)	(0.11)	5.51
Disposals / deductions	-	-	-	-	-	8.76	3.77	50.35	7.82	9.01	12.67	92.38
Adjustment on cessation of subsidiaries	-	0.01	-	-	-	0.06	-	-	-	-	-	0.07
At 31st March, 2017	**-**	**1,037.32**	**452.36**	**136.64**	**929.78**	**5,737.46**	**364.95**	**178.71**	**243.90**	**323.60**	**966.77**	**10,371.49**
Charge for the Year	-	842.44	316.31	64.03	491.54	6,162.56	375.95	92.38	125.58	134.10	462.22	9,067.11
Foreign Currency Translation Adjustment	-	(0.38)	-	-	-	5.07	(0.24)	(0.04)	0.60	(0.01)	(0.03)	4.97
Disposals / deductions	-	-	-	-	-	92.14	2.18	0.92	1.49	9.77	3.29	109.79
As at 31st March, 2018	**-**	**1,879.38**	**768.67**	**200.67**	**1,421.32**	**11,812.95**	**738.48**	**270.13**	**368.59**	**447.92**	**1,425.67**	**19,333.78**
Carrying Values												
As at 31st March, 2017	**2,893.04**	**5,890.92**	**3,406.56**	**391.58**	**1,468.48**	**13,544.46**	**843.63**	**326.20**	**213.11**	**170.97**	**1,263.68**	**30,412.64**
As at 31st March, 2018	**6,352.05**	**10,497.86**	**4,217.20**	**355.21**	**976.94**	**38,253.80**	**1,972.42**	**309.64**	**300.89**	**228.85**	**1,282.23**	**64,747.09**

Notes :

a) Vehicles Includes taken on finance lease written down Value ₹932.60 Lac (₹1239.31 Lac) [Refer Note No. 37(b)].

b) Contractual commitments for acquisition of Property, Plant & Equipments is disclosed in Note No. 35(i)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

3. Property, Plant and Equipment *(Contd.)*

₹ in Lac

Capital Work in progress	31st March, 2018	31st March, 2017
Carrying value at the beginning of the year	29,880.19	9,568.83
Addition during the year	12,497.20	26,128.56
Capitalised during the year	29,721.03	5,776.86
Deduction/ Adjustment during the year	42.74	40.34
Carrying value at the end of the year	**12,613.62**	**29,880.19**

₹ in Lac

Particulars	Freehold Land	Factory Buildings	Non-Factory Buildings on Freehold Land	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Total
As at 1st April, 2016	**1,941.88**	**447.86**	**2,335.90**	**4,566.29**	**208.15**	**-**	**2.96**	**4.52**	**61.27**	**9,568.83**
Addition	931.95	6,899.51	1,705.65	15,316.35	1,024.98	25.07	27.07	21.94	176.05	26,128.57
Transfer to PPE	242.73	666.64	59.48	4,357.24	321.42	5.94	7.86	0.57	114.98	5,776.86
Deduction/ Adjustment	-	-	40.34	-	-	-	-	-	-	40.34
As at 31st March, 2017	**2,631.10**	**6,680.73**	**3,941.73**	**15,525.40**	**911.71**	**19.13**	**22.17**	**25.89**	**122.34**	**29,880.20**
As at 1st April, 2017	2,631.10	6,680.73	3,941.73	15,525.40	911.71	19.13	22.17	25.89	122.34	29,880.20
Addition	310.06	2,110.12	4,597.85	5,219.88	219.90	7.28	16.98	15.12	-	12,497.19
Transfer to PPE	2,546.92	7,012.92	803.68	18,032.91	1,105.96	21.34	33.95	41.01	122.34	29,721.03
Deduction/ Adjustment	-	-	42.74	-	-	-	-	-	-	42.74
As at 31st March, 2018	**394.24**	**1,777.93**	**7,693.16**	**2,712.37**	**25.65**	**5.07**	**5.20**	**-**	**-**	**12,613.62**

4. Intangible Assets

₹ in Lac

Particulars	Computer Software	Goodwill	Total
COST			
At 1st April, 2016	354.58	28.09	382.67
Addition	51.35	-	51.35
Written Off/Disposed	9.08	-	9.08
At 31st March, 2017	**396.85**	**28.09**	**424.94**
Acquition of subsidiary			
Addition	22.61	-	22.61
Written Off/Disposed	13.77	-	13.77
As at 31st March, 2018	**405.69**	**28.09**	**433.79**
Amortisation			
As at 1st April, 2016	163.28	-	163.28
Charge for the Year	87.01	-	87.01
Written Off/Disposed	8.55	-	8.55
At 31st March, 2017	**241.74**	**-**	**241.74**
charge for the Year	46.51	-	46.51
Written Off/Disposed	1.41	-	1.41
As at 31st March, 2018	**286.84**	**-**	**286.84**
Net Block			
As at 31st March, 2017	**155.11**	**28.09**	**183.20**
As at 31st March, 2018	**118.85**	**28.09**	**146.95**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

4. Intangible Assets (Contd.)

Intangible Assets Under Development ₹ in Lac

Particulars	Software
As at 1st April, 2016	15.53
Addition	12.15
Transfer to PPE	0.00
Deduction/ Adjustment	0.00
As at 31st March, 2017	**27.68**
As at 1st April, 2017	27.68
Addition	29.41
Transfer to PPE	27.68
As at 31st March, 2018	**29.41**

5. Investment Property

₹ in Lac

Particulars	Amount
Opening balance at 1st April, 2016	609.42
Addition	0.74
Closing balance at 31st March, 2017	610.16
Addition	-
Closing balance at 31st March, 2018	**610.16**

These valuations are based on valuations performed by D. R. Bhaumik, an accredited independent valuer holding recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

₹ in Lac

Reconciliation of fair value:	Amount
Opening balance at 1st April, 2016	618.00
Fair value difference	-
Add:- Development Cost	0.74
Closing balance at 31st March, 2017	618.74
Fair value difference	(0.74)
Closing balance at 31st March, 2018	**618.00**

6. Investments

₹ in Lac

Particulars	Face Value per Share ₹	No. of Shares / Units @	As at 31st March, 2018 ₹ in Lac	As at 31st March, 2017 ₹ in Lac
Non-Current Investments at fair value through profit or loss (FVTPL)				
Unquoted Equity Instruments				
(i) Investments In Others (at FVTPL)				
OPG Power Generation Pvt. Ltd.	10	17,600	2.02	-
Sub Total			**2.02**	-
Investment in government Securities (at amortised cost)				
National Savings Certificate (VII Isssue)*			-	**0.05**
			-	**0.05**
Aggregate amount of unquoted investment			**2.02**	**0.05**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

7. Loans (at amortised cost)

₹ in Lac

	Non Current		Current	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Unsecured considered good				
Security Deposits	1,207.68	1,026.08	329.75	389.28
Loans:				
- To a Body corporate	-	-	1,000.00	-
	1,207.68	**1,026.08**	**1,329.75**	**389.28**
Due from officers of the Company	-	5.00	-	-

8. Other Financial Assets(At Amortised Cost)

₹ in Lac

	Non Current		Current	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Unsecured considered good				
Advances recoverable in cash or kind	-	-	747.02	7,662.28
Other Receivables	-	-	277.57	-
Share Application Money				
- To Others	32.53	-	-	-
Interest accrued on Loans, Deposits etc	-	-	80.88	-
Insurance Claim Receivable	-	-	18.71	-
	32.53	**-**	**1,124.18**	**7,662.28**

9. Income Tax

₹ in Lac

		31st March, 2018	31st March, 2017
i	**Current income tax recognised in Statement of Profit & Loss**		
	Current income tax	4,522.95	5,271.78
	MAT credit entitlement	(95.38)	(158.52)
	Deferred tax	201.09	36.61
	Income tax expense reported in the statement of profit or loss	**4,628.66**	**5,149.87**
	OCI section		
	Current Tax recognised for Other Comprehensive Income (OCI)		
	Tax on net loss(gain) on remeasurement of defined benefit plan	30.40	105.28
		30.40	**105.28**

₹ in Lac

		31st March, 2018	31st March, 2017
ii	**Deferred Tax Assets**		
	Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	746.41	678.02
	Plant Property and Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	545.89	740.03
	Provision for doubtful debts and advances	310.15	263.91
		1,602.45	**1,681.96**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

9. Income Tax *(Contd.)*

₹ in Lac

	31st March, 2018	31st March, 2017
Minimum Alternate Tax Credit Entitlement *	5,300.33	5,204.95
	6,902.78	**6,886.91**
Deferred Tax Liability		
Plant Property and Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	229.20	138.01
	229.20	**138.01**

₹ in Lac

	31st March, 2018	31st March, 2017
iii. Deferred Tax Assets (Net) (Statement of Profit and Loss)		
a) Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	68.39	233.21
b) Plant Property and Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(285.33)	21.47
c) Provision for doubtful debts and advances	46.24	(92.39)
d) Minimum Alternate Tax Credit Entitlement*	95.38	158.52
	(75.32)	**320.81**

*The Company enjoys tax holiday benefit in respect of its certain units under section 80IA and 80IE of the Income Tax Act, 1961 (Act) and accordingly at present is paying Minimum Alternative Tax (MAT) under Section 115JB of the Act. Utilisation of such MAT credit would commence immediately upon completion of the Tax holiday period and the management is certain that there will be sufficient taxable profit to utilise the MAT credit recognised in the books of accounts.

(iv) Movement in deferred tax assets and liabilities during year ended 31st March, 2017 and 31st March, 2018

₹ in Lac

Particulars	As at 1st April, 2016	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31st March, 2017	Recognised in Statement of Profit & Loss *	Recognised in OCI	As at 31st March, 2018
Deferred Tax Assets							
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	444.81	127.93	105.28	678.02	37.99	30.40	746.41
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	718.56	21.47	-	740.03	(194.14)	-	545.89
Provision for doubtful debts and advances	356.30	(92.39)	-	263.91	46.24	-	310.15
	1,519.67	**57.01**	**105.28**	**1,681.96**	**(109.91)**	**30.40**	**1,602.45**
Minimum Alternate Tax Credit Entitlement	5,046.43	158.52	-	5,204.95	95.38	-	5,300.33
Deferred Tax Liability							

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

9. Income Tax *(Contd.)*

₹ in Lac

Particulars	As at 1st April, 2016	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31st March, 2017	Recognised in Statement of Profit & Loss *	Recognised in OCI	As at 31st March, 2018
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(65.80)	(72.21)	-	(138.01)	(91.19)	-	(229.20)
Net Deferred Tax Asset	6,631.90	-	-	6,748.90	-	-	6,673.59

* Includes ₹14 Lac (net) due to change in Income tax rate from 34.608% to 34.944%

10. Other Assets

₹ in Lac

	Non Current		Current	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Advance recoverable in cash or kind	-	-	220.21	728.17
Anti Dumping Duty Receivable (Refer Note No. 41)	-	-	176.66	176.66
Capital Advances Against Plant Property and Equipment	951.41	1,688.61	-	-
Deposits against Demand under Disputes	-	-	91.52	111.30
Balance with Statutory/Government Authorities	-	-	2,681.21	4,983.75
Central/State Government Subsidies Receivable	-	-	1,788.54	1,340.32
Prepaid Expenses	723.78	747.00	530.86	632.86
	1,675.19	2,435.61	5,489.00	7,973.06

11. Inventories

₹ in Lac

	Notes	31st March, 2018	31st March, 2017
(At Lower of Cost and Net Realisable Value)			
Raw Materials	27	15,515.75	14,377.79
Work-in-Progress	28	3,885.44	2,544.48
Stock in Trade	28	4,603.40	3,837.31
Finished Goods	28	11,763.49	8,247.33
Stores & Spares Parts, etc		2,507.64	1,055.57
Total		38,275.72	30,062.48
Note:-			
The above includes Stock-in-Transit			
Raw Materials		1,099.18	1,998.27
Stock in Trade		1,226.84	440.33
Finished Goods		-	152.35
Inventories are pledged against the cash credit limit obtained by the Company			

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

12. Trade Receivables

₹ in Lac

	Current	
	31st March, 2018	31st March, 2017
Trade Receivables (Unsecured)		
Considered Good	35,720.14	34,217.52
Considered Doubtful	887.57	762.58
	36,607.71	**34,980.10**
Less:Provision for doubtful trade receivables	887.57	762.58
Total	**35,720.14**	**34,217.52**
(Refer Note No. 42 for Related Party disclosure)		
Trade receivables are pledged against the cash credit limit obtained by the Company.		
Trade receivables are non-interest bearing and are generally on terms of 45 days.		
	35,720.14	**34,217.52**

13. Cash and Bank Balances

₹ in Lac

	31st March, 2018	31st March, 2017
Cash and Cash Equivalents		
Cash in hand	92.49	150.65
Balances with Banks		
On Current accounts	1,357.66	2,940.19
Deposits with Original Maturity of less than three months	564.12	3,068.62
Cheques/Drafts on hand	14.56	477.61
	2,028.83	**6,637.07**
Bank Balances other than above		
Margin Money Deposits with Original Maturity of more than 3 months but less than 12 months	60.25	63.74
Unpaid Dividend Account	22.67	21.40
	82.92	**85.14**
Total	**2,111.75**	**6,722.21**

14. Equity Share Capital

₹ in Lac

	31st March, 2018	31st March,2017
Authorised		
65,05,00,000 (65,05,00,000) Equity Shares of ₹1/- each	6,505.00	6,505.00
15,00,000 (15,00,000) Preference Shares of ₹10/- each	150.00	150.00
50,000 (50,000) Preference Shares of ₹100/- each	50.00	50.00
Total	**6,705.00**	**6,705.00**
Issued		
Issued equity shares of ₹1 each		
At 1st April, 2016 (22,35,52,990 Equity Shares of ₹1/- each)	2,235.53	2,235.53
Changes during the period	-	-
At 31st March, 2017 (22,35,52,990 Equity Shares of ₹1/- each)	2,235.53	2,235.53

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

14. Equity Share Capital *(Contd.)*

₹ in Lac

	31st March, 2018	31st March,2017
Changes during the period	-	-
At 31st March, 2018	2,235.53	2,235.53
Total	**2,235.53**	**2,235.53**
Subscribed and Paid up		
22,21,72,990 (31.3.2017 - 22,21,72,990) Equity Shares of ₹1/- each	2,221.73	2,221.73
Add: Amount received on forfeited shares (FY 2001-02)	3.54	3.54
Total	**2,225.27**	**2,225.27**

a) **There is no change in number of shares in current year and last year.**

b) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	31st March, 2018		31st March, 2017	
	No. of Shares	₹ in Lac	No. of Shares	₹ in Lac
At the Beginning of the year	22,21,72,990	2,221.73	22,21,72,990	2,221.73
Issued during the year	-	-	-	-
Outstanding at the end of the year	**22,21,72,990**	**2,221.73**	**22,21,72,990**	**2,221.73**

c) **Terms/ Rights attached to the Equity Shares**

The Company has only one class of equity shares having par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company , the holders of equity shares will be entitled to receive remaining assets of the Company , after distribution of all preferential amounts in proportion to their shareholdings.

d) The Company does not have any Holding/ Ultimate Holding Company.As such, no shares are held by them or their Subsidiaries/ Associates

e) Details of Shareholders holding more than 5% shares in the Company

	31st March, 2018		31st March, 2017	
	No. of Shares	% holding	No. of Shares	% holding
Sri Sajjan Bhajanka	2,50,32,954	11.27%	2,52,32,954	11.36%
Sri Sanjay Agarwal	2,41,50,124	10.87%	2,42,00,124	10.89%
Smt. Divya Agarwal	1,67,49,750	7.54%	1,67,49,750	7.54%
Smt. Santosh Bhajanka	1,54,49,500	6.95%	1,56,49,500	7.04%
Sri Vishnu Khemani	1,26,09,646	5.68%	1,26,07,857	5.67%

As per records of the Company, including its register of members as at 31st March, 2018, the above shareholding represents legal ownerships of shares.

f) There are NIL (Previous year NIL) shares reserved for issue under option and contracts/commitment for the sale of shares/ disinvestment including the terms and amounts.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

14. Equity Share Capital *(Contd.)*

g) During the period of five years immediately preceding the reporting date:

i. No shares were issued for consideration other than cash

ii. No bonus shares were issued

iii. No shares were bought back

h) There are NIL (Previous year NIL) securities convertible into Equity/ Preference Shares.

i) There are NIL (Previous year NIL) calls unpaid including calls unpaid by Directors and Officers as on the balance sheet date.

j) No shares were forfeited during the year or during the previous year.138000 equity shares of ₹10/-each(post split 1380000 equity shares of ₹1 each) on which ₹3.54 Lac had been paid up, were forfeited in the year 2001-2002

15. Other Equity

₹ in Lac

	31st March, 2018	31st March, 2017
Capital Reserve		
Balance as per the last Financial Statements	55.51	2.88
Less : Adjustment on cessation of subsidiary	-	(2.88)
Add: On acquisition of subsidiary during the year	206.90	55.51
Closing Balance	**262.41**	**55.51**
Amalgamation Reserve	317.40	317.40
Securities Premium Reserve	1,892.77	1,892.77
Foreign Currency Translation Reserve		
Balance as per the last Financial Statements	363.81	556.89
Add:Exchange difference in respect of Non integral foreign operations	(130.01)	(191.62)
Less : Adjustment on cessation of subsidiaries	-	1.46
Foreign Currency Translation Reserve	**233.80**	**363.81**
General Reserve	990.19	990.19
Capital Redemption Reserve	50.00	50.00
Total	**3,746.57**	**3,669.68**
Retained Earnings		
Balance at the beginning of the year	65,595.77	46,848.20
Other Comprehensive Income arising from remeasurement of defined benefit obligation (net of tax)	(44.27)	(243.47)
Add: Profit for the year	16,306.08	19,046.06
Less: Appropriations		
Payment of Final Dividend for the year 2016-17 (Refer Note No. 48)	2,221.73	
Tax on final dividend for the year 2016-17	452.29	
Less : Adjustment on cessation of subsidiaries	-	55.02
Total Appropriations	2,674.02	55.02
Balance at the end of the year	**79,183.56**	**65,595.77**
Total	**82,930.13**	**69,265.45**

Amalgamation Reserve:- This reserve was created on amalgamation of Shyam Century Ferrous Limited with the Company during the financial year 2005-2006.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

15. Other Equity *(Contd.)*

Securities Premium Reserve:- This reserve had been created on issue of shares by way of public issue and right issue.

Foreign Currency Translation Reserve:- Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognized directly in the other comprehensive income and accumulated in foreign currency translation reserve.

General Reserve:- General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purpose. General reserve is created by a transfer from one component to equity to another and is not an item of other comprehensive income.

Capital Redemption Reserve:- This reserve was created for redemption of preference shares by Company in FY 2012-2013.

16. Borrowings (At Amortised Cost)

₹ in Lac

	Non Current Portion		Current Maturities	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Term Loans (Secured)				
Indian Rupee Loan from Banks	6,818.76	6,315.30	1,448.78	1,945.73
Foreign Currency Loan from Banks	9,644.41	7,873.83	2,154.02	1,892.71
Other Loans and Advances (Secured)				
Financial Lease obligations :-				
- From banks	223.26	469.45	469.49	639.18
- From Bodies Corporate	7.38	16.28	8.92	34.61
	16,693.81	**14,674.86**	**4,081.21**	**4,512.23**
Amount disclosed under the head " Other Current Financial Liabilities"			(4081.21)	(4512.23)
(Refer Note No. 21)				
Total	**16,693.81**	**14,674.86**	-	-

Notes:-

(a) Term Loan of ₹ Nil (31st March, 2017 :1680.49 Lac) from a bank carries interest NA (31st March, 2017: @ 9.60%p.a). The Loan has been fully repaid during the year.

(b) Foreign currency term loan of ₹1073.16 Lac (31st March, 2017 : ₹1604.79 Lac) carries interest @6 months LIBOR + 2.00% p.a. The loan is repayable in 8 equal quarterly installments by 31st March, 2020 and is secured/to be secured by 1st charge on all the fixed assets pertaining to the plywood unit at Bhachau,Gujarat and 2nd charge on the current assets of the plywood divisons of the Company on pari passu basis with other term lenders.

(c) Foreign currency term loan of ₹2927.62 Lac (31st March, 2017: ₹3503.36 Lac) carries interest @ 6 months LIBOR + 2.00 % p.a. The loan is repayable in 20 equal quarterlyinstalments by 31st March, 2023 and is secured/to be secured by first charge on all the fixed assets pertaining to the Particle Board Unit at village Chinnaobulapuram, Gummidipoondi, Tamil Nadu and by second charge on all the current assets of the Plywood Divisions of the Company on pari passu basis with other term lenders.

(d) Foreign currency term loan of ₹3895.27 Lac (31st March, 2017: 4658.39 Lac) carries interest @ 6 months LIBOR + 2.00 % p.a. The Loan is repayable in 20 equal quarterly installments by 31st March, 2023 and is to be secured by Ist charge on proposed Corporate House at Taratala, Kolkata and is currently secured/to be secured by 1st charge on all the fixed assets pertaining to the Plywood Unit at Bishnupur, West Bengal by way of alternate security on pari passu basis with other term lenders.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

16. Borrowings (At Amortised Cost) *(Contd.)*

(e) Term loan of ₹8267.54 Lac (31st March, 2017: 6580.53 Lac) carries interest @MCLR presently 8.10% p.a. The Loan is repayable in 24 equal quarterly installments commencing from 31st March, 2018 by 31st March, 2023 and is secured/to be secured by Ist charge over all fixed assets of MDF Unit at Hoshiarpur, Punjab and by 2nd charge on all the current assets of the said unit.

(f) Foreign currency term loan of ₹3902.39 Lac (31st March, 2017 : Nil) carries interest @ 6 Months LIBOR + 1.25% p.a. The Loan is repayable in 16 equal quarterly instalments commencing from January 2019 by October 2022 and is secured/to be secured by 1st charge on all the Fixed Assets of the Plywood Unit at Bishnupur West Bengal on pari passu basis with other term lenders.

(g) Finance lease obligations are secured by hypothecation of the assets purchased there against and carrying interest between 9.64% p.a to 11.00% p.a (9.64% to 11% p.a).

17. Other Financial Liabilities

₹ in Lac

	Non Current Portion		Current Maturities	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Trade Deposits	-	9.00	1,169.09	707.28
Amount disclosed under the head Other Current Financial Liabilities	-	-	(1,169.09)	(707.28)
Total	-	**9.00**	-	-

18. Other Non Current Liabilities

₹ in Lac

	31st March, 2018	31st March, 2017
Deferred Revenue		
At 1st April	52.91	56.90
Released to the statement of profit and loss	(112.49)	3.99
At 31st March	**165.40**	**52.91**
Current (Amount Disclosed under the head Other Current Liabilites Refer Note No. 22)	73.71	14.44
Non-current	91.69	52.91

The deferred revenue relates to the asset related government grant received in earlier years, the same has been accounted for as deferred revenue and proportionately adjusted with depreciation.

19. Short Term Borrowings (At Amortised Cost)

₹ in Lac

	31st March, 2018	31st March, 2017
Loans repayable on demand		
Cash Credit from banks (Secured)	6,788.77	8,707.22
Others		
- From Bodies Corporate (Unsecured)	-	500.00
Other Loans and advances (Secured)		
Short Term Loan from Bank	-	921.28
Buyers Credit from banks		
- For Capital Expenditure	10,181.27	9,236.88

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

19. Short Term Borrowings (At Amortised Cost) *(Contd.)*

₹ in Lac

	31st March, 2018	31st March, 2017
- For Raw Materials	14,193.03	14,090.23
Commercial Paper (Unsecured)	-	5,000.00
Packing Credit (Unsecured)	5,604.54	3,500.00
Total	**36,767.61**	**41,955.61**

Notes:-

a) Cash Credit and Buyer's Credit from banks amounting to ₹31,163.97 Lac (31st March, 2017 : ₹32,955.18 Lac) are secured / to be secured by way of first charge on current assets (both present and future) of the Company and by way of second charge on the fixed assets of the plywood units at Mirza,Assam; Bishnupur,West Bengal; Taraori,Haryana; Chinnapploapuram, Gummidipoondi,Tamilnadu and Bacchau,Gujarat.The cash credit and buyer's credit are also secured by personal guarantees of three directors of the Company.

b) The cash credit is repayable on demand and carries interest @ 8.20% to 9.30% (31.3.2017 : 9.85% to 12.00%) p.a.

c) Buyers credit carries interest @ Libor plus 0.25% to 1.20% p.a (2016-17: 0.34% to 1.20% p.a) and is repayable in 90-180 days.

d) Rate of Interest for Body Corporate Loan is 9.25% p.a

e) Rate of Interest for Commercial Paper - NA (31st March, 2017; 6.75% p.a)

f) Rate of Interest for Packing Credit is 4.80% to 5.50% p.a

20. Trade Payables (At Amortised Cost)

₹ in Lac

	31st March, 2018	31st March, 2017
- Dues to Micro and Small Enterprises (Refer Note No. 36)	347.66	138.76
- Dues to Others	17,180.61	13,959.43
	17,528.27	**14,098.19**

Trade payables and acceptances are non-interest bearing and are normally settled on 30 day terms.
For terms and conditions with related parties, refer to Note No. 42.

21. Other Current Financial Liabilities

₹ in Lac

	31st March, 2018	31st March, 2017
Current Maturities of Long Term Debts (Refer Note No. 16)	3,602.80	3,838.44
Current Maturities of Finance Lease Obligation (Refer Note No. 16)	478.41	673.79
Trade Deposits	6.16	2.10
Interest accrued but not due on Borrowings	145.36	133.25
Unpaid Dividend (To be deposited in Investor Education and Protection Fund as and when due)	22.67	21.40
Capital Creditors	951.28	101.84
Current Maturities of Other Long Liabilities	1,171.60	707.28
Employee related liabilities	**3,858.56**	**3,633.69**
	10,236.84	**9,111.79**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

22. Other Current Liabilities *(Contd.)*

₹ in Lac

	31st March, 2018	31st March, 2017
Advances from Customers	691.28	642.12
Statutory Dues Payable*	2,031.01	3,230.96
Deferred Revenue (Refer Note No. 18)	73.71	14.44
Total	**2,796.00**	**3,887.52**

* Includes ₹1410.74 Lac (₹1323.21 Lac) net of payments pertaining to Entry tax on entry of certain goods into a local area of the state of West Bengal. The Company has challenged the legal validity of levy of the entry tax in the Hon'ble Calcutta High court.

23. Provisions

₹ in Lac

	Non Current Portion		Current Maturities	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Provision for Employee Benefits				
Gratuity	530.72	589.02	106.22	57.94
Leave Encashment	478.08	448.70	82.10	57.05
	1,008.80	**1,037.72**	**188.32**	**114.99**

24. Current Tax liabilities

₹ in Lac

	31st March, 2018	31st March, 2017
Provision for Taxation (Net of Advance Tax)	7.68	718.79
	7.68	**718.79**

25. Revenue from Operations

₹ in Lac

	2017-2018	2016-2017
Revenue from Operations		
Sale of Products	1,94,470.53	1,86,242.67
Income from Services	10,093.43	8,978.21
Other Operating revenue		
Scrap Sales	137.90	123.58
Export Incentives	724.24	470.41
Indirect Tax Subsidy	465.76	261.84
Miscellaneous Income	108.23	109.52
Revenue from Operations (Gross)	**2,06,000.09**	**1,96,186.23**

₹ in Lac

	2017-2018	2016-2017
Details of Products Sold		
Plywood & Block board	1,13,333.94	1,15,477.61
Laminates	37,736.78	36,801.77
Pre-Laminated Particle Boards	4,764.40	3,710.94

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

25. Revenue from Operations *(Contd.)*

₹ in Lac

	2017-2018	2016-2017
Veneer	21,147.41	23,944.28
Particle Board	2,727.41	1,854.21
Traded Goods Sold		
Medium Density Fibre Board	11,280.23	336.51
Agri Products	526.69	528.86
Phenol	1,235.90	1,382.03
Furniture	-	469.37
Others	1,717.76	1,737.09
	1,94,470.52	**1,86,242.67**
Details of Income from Services		
Container Freight Station Services	9,932.59	8,761.18
Other Services	160.84	217.03
	10,093.43	**8,978.21**

26. Other Income

₹ in Lac

	2017-2018	2016-2017
Interest Income from financial assets at amortised cost	368.22	11.94
Provision for Doubtful Debts Written Back	-	106.92
Insurance and Other Claims	6.86	63.35
Unspent/Unclaimed liabilities written back	0.06	0.32
Profit on Plant Property and Equipment Sold /Discarded	13.15	59.84
Bad Debts Recovered	0.11	0.90
Foreign Exchange Fluctuations (Net)	3.50	2,008.76
Net gain on sale of Investments carried at FVTPL	170.35	0.98
Miscellaneous Receipts	225.11	2.24
Total	**787.36**	**2,255.25**

27. Cost of Materials Consumed

₹ in Lac

	2017-2018	2016-2017
Inventories at the beginning of the year	14,377.79	15,463.47
Add : Purchases	93,841.71	69,287.40
	1,08,219.50	84,750.87
Less : Inventories at the end of the year	15,515.75	14,377.79
Cost of Materials Consumed	**92,703.75**	**70,373.08**
Details of Material Consumed		
Timber Logs	15,932.98	11,787.32
Veneer	42,344.04	32,436.69
Chemicals	14,298.09	11,223.47
Paper	13,345.27	12,498.69
Waste Wood	4,167.32	542.45
Particle Board	2,616.05	1,884.46
	92,703.75	**70,373.08**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

27. Cost of Materials Consumed *(Contd.)*

₹ in Lac

	2017-2018	2016-2017
Details of Closing Stock of Materials		
Timber Logs	3,199.50	2,846.12
Veneer	6,362.13	6,959.90
Chemicals	1,082.76	1,065.53
Paper	4,242.86	3,005.65
Particle Board	203.59	500.59
Waste Wood	424.91	-
	15,515.75	**14,377.79**

28. Purchase of Stock-in-Trade and Changes in Inventories of Finished Goods,Work-in-Progress And Stock-in-Trade

₹ in Lac

	2017-2018	2016-2017
Inventories at the beginning of the year		
Stock in Trade	3,837.31	4,296.54
Finished Goods	8,247.33	6,132.48
Work-in-Progress	2,544.48	2,897.00
	14,629.12	**13,326.02**
Inventories at the end of the year		
Stock in Trade	4,603.40	3,837.31
Finished Goods	11,763.49	8,247.33
Work-in-Progress	3,885.44	2,544.48
	20,252.33	**14,629.12**
Total	**(5,623.21)**	**(1,303.10)**
Details of Purchase of Stock in Trade		
Plywood and Block boards	6,072.42	7,692.61
Veneer	1,796.56	9,087.99
Medium Density Fibre board/Plain Particle Boards	-	80.50
Chemicals	611.28	522.45
Pest Control Kits	48.70	15.61
Phenol	1,211.08	1,354.22
Furniture	-	148.40
Others	1,776.99	1,536.88
	11,517.03	**20,438.66**
Details of Inventories at the year end		
Stock in Trade		
Plywood and Block board	3,511.75	1,100.97
Medium Density Fibre board/Plain Particle Boards	-	71.05
Chemicals	98.32	89.14
Pest Control Kits	64.96	60.96
Veneer	270.79	2,118.69
Others	657.58	396.50
	4,603.40	**3,837.31**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

28. Purchase of Stock-in-Trade and Changes in Inventories of Finished Goods,Work-in-Progress And Stock-in-Trade *(Contd.)*

₹ in Lac

	2017-2018	2016-2017
Finished Goods at the year end		
Plywood and Block board	3,524.41	2,741.18
Laminates	2,297.45	2,327.01
Pre-Laminated Particle Boards	-	24.85
Particle Board	31.08	1.34
Medium Density Fibre board	1,921.81	-
Veneer	3,988.74	3,152.95
	11,763.49	**8,247.33**
Work-in-Progress at the year end		
Plywood and Block board	1,581.48	1,600.60
Laminates	1,343.42	940.03
Medium Density Fibre Board	223.98	-
Pre-Laminated Particle Boards	736.56	3.85
	3,885.44	**2,544.48**

29. Employee Benefits Expense

₹ in Lac

	2017-2018	2016-2017
Employee Benefits Expense		
Salaries, Wages, Bonus etc	28,737.26	25,091.38
Contribution to Provident, Gratuity and other Funds	1,906.48	1,649.60
Employees Welfare Expenses	647.56	559.60
Total	**31,291.30**	**27,300.58**

30. Finance Cost

₹ in Lac

	2017-2018	2016-2017
Interest Expenses	2,778.26	2,505.58
Exchange difference to the extent considered as an adjustment to borrowing costs	471.94	193.02
Other Borrowing cost	333.27	322.85
Total	**3,583.47**	**3,021.45**

31. Depreciation and Amortisation Expense

₹ in Lac

	2017-2018	2016-2017
Depreciation on Tangible Assets	9,067.11	5,866.69
Amortisation of Intangible Assets	46.51	87.01
	9,113.62	5,953.70
Less:Transferred to Capital Work in Progress	47.18	19.75
Total	**9,066.44**	**5,933.95**

32. Excise Duty

₹ in Lac

	2017-2018	2016-2017
Excise Duty on sales	3,605.67	14,313.15
	3,605.67	**14,313.15**

Excise duty debited to Statement of Profit and Loss is net of subsidy of ₹308.92 Lac (₹1,743.27 Lac).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

33. Other Expenses

₹ in Lac

	2017-2018	2016-2017
Stores & Spare parts consumed	3,343.91	2,127.80
Power and Fuel	7,099.73	4,267.92
(Increase)/decrease of excise duty on inventory	-	41.54
Insurance	301.42	280.05
Rent	1,848.27	1,910.26
Rates & Taxes	238.67	261.76
Repairs & Maintenance		
-Property	120.34	144.63
-Plant and Equipment	895.32	745.49
-Others	648.11	563.36
Transport & Freight	10,982.47	7,202.42
Commission on Sales	1,022.38	1,189.59
Advertisement, Publicity and Sales Promotion	5,531.32	7,598.43
Communication Expenses	323.92	389.01
Directors' Sitting Fees and Commission	155.03	29.85
Auditors' Remuneration	44.77	40.42
Corporate Social Responsibility Activities (Refer Note No. 40)	423.16	310.46
Charity and Donations	35.12	580.80
Octroi	72.89	367.02
Loss on sale of Subsidiary	-	55.47
Foreign Exchange Fluctuations (Net)	190.76	50.45
Loss on Plant Property and Equipment Sold /Discarded	46.58	-
Irrecoverable Debts, Advances written off	124.70	9.45
Provision for Doubtful Debts	48.29	-
Miscellaneous Expenses	5,903.20	5,699.74
Total	**39,400.36**	**33,865.92**
Payment to Auditors		
As Auditor		
Audit Fees	32.47	26.66
For Other Services	12.05	12.86
Reimbursement of Expenses	0.25	0.90
	44.77	**40.42**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

34. Gratuity and Other Post Employment Benefit Plans

The Group has a defined benefit gratuity plan. 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 an insurance Company .

The Group also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans.

I. Expenses Recognised in the Statement of Profit & Loss

₹ in Lac

	31st March, 2018	31st March, 2017
1. Current / Past Service Cost	333.05	299.06
2. Net Interest expense	46.01	36.12
Components of defined benefit cost recognised in P/L	379.06	335.18
3. Re-measurement - Due to Financial Assumptions	(47.77)	114.79
4. Re-measurement - Due to Experience Adjustments	113.76	109.76
5. Return on Plan Assets (Excluding Interest Income)	(1.35)	(10.56)
Components of defined benefit cost recognised in OCI	**64.64**	**213.99**
Total Expense	**443.70**	**549.17**

II. Net Asset/ (Liability) recognised in the Balance Sheet

₹ in Lac

	31st March, 2018	31st March, 2017
1. Present Value of Defined Benefit Obligation	3006.08	2522.08
2. Fair Value of Plan Assets	2403.67	1875.12
3. Net Asset / (Liability)	(602.41)	(646.96)

III. Change in Obligation during the Year

₹ in Lac

	31st March, 2018	31st March, 2017
1. Present Value of Defined Benefit Obligation at the beginning of the year	2522.09	1957.24
2. Current Service Cost/Plan amendments	333.05	299.06
3. Interest Cost	191.33	156.58
4. Benefits Paid	(106.38)	(115.35)
5. Re-measurements - Due to Financial Assumptions	(47.77)	114.79
6. Re-measurements - Due to Experience Adjustments	113.76	109.76
7. Present Value of Defined Benefit Obligation at the end of the year	**3,006.08**	**2,522.08**

IV. Change in the Fair Value of Plan Assets during the year

₹ in Lac

	31st March, 2018	31st March, 2017
1. Plan assets at the beginning of the year	1875.12	1606.08
2. Interest Income	145.32	120.45

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

34. Gratuity and Other Post Employment Benefit Plans *(Contd.)*

₹ in Lac

	31st March, 2018	31st March, 2017
3. Contribution by employer	488.25	253.38
4. Actual Benefit Paid	(106.38)	(115.35)
5. Re-measurement - Return on Assets (Excluding Interest Income)	1.35	10.56
6. Closing Fair Value of Plan Assets	**2,403.66**	**1,875.12**

V. In 2018-19 the Group expects to contribute ₹727.31 Lac (2016-17: ₹564.22 Lac) to gratuity.

VI. The Major Categories of Plan Assets as a Percentage of the Fair Value of Total Plan Assets

	31st March, 2018	31st March, 2017
Investments with insurer	100%	100%

VII. Actuarial Assumptions

	31st March, 2018	31st March, 2017
1. Discount Rate	7.75%	7.50%
2. Expected rate of return on plan assets	7.75%	7.50%
3. Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult.	
4. Salary increase	6%	6%
5. Withdrawal rates	1% - 8%	1%- 8%

VIII. The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

IX. Contribution to Provident and Other Funds includes ₹954.47 Lac (2016-17 - ₹883.00 Lac) paid towards Defined Contribution Plans

X. A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	31st March, 2018		31st March, 2017	
	Discount Rate		Discount Rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	(111.45)	128.89	(199.04)	229.80

Assumptions	31st March, 2018		31st March, 2017	
	Future Salary Increase		Future Salary Increases	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	134.26	(117.93)	230.38	(203.75)

Assumptions	31-Mar-18		31 Mar-17	
	Withdrawal Rates		Withdrawal Rates	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	13.65	15.76	21.41	(24.58)

Sensitivities due to mortality are not material and hence impact of change is not calculated.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

34. Gratuity and Other Post Employment Benefit Plans *(Contd.)*

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

XI. Maturity Profile of Defined Benefit Obligations

₹ in Lac

	As on 31st March, 2018	As on 31st March, 2017
Year 1	159.36	132.80
Year 2	393.48	286.80
Year 3	253.20	203.08
Year 4	268.05	210.57
Year 5	297.32	220.70
Next 5 Years	1400.08	1164.10

35. Commitments and Contingencies

₹ in Lac

(i) Capital and Other Commitments

	As on 31st March, 2018	As on 31st March, 2017
Commitment for Acquisition of Property, Plant & Equipments (Net of Advance)	2,043.77	8,505.39
Letter of Credit issued by Banks	1,919.56	6,256.24
For Commitment relating to Lease Arrangements, please Refer Note No. 37	253.20	203.08
For Commitment relating to Derivative Contracts, please Refer Note No. 39		

(ii) Contingent Liabilities

	As on 31st March, 2018	As on 31st March, 2017
Demands / Claims by various Government Authorities and Others not acknowledged as Debt:		
Excise Duty/Service Tax	1,102.48	958.57
Sales Tax / VAT	1,784.48	835.45
Income Tax	119.79	1,227.84
Others – Labour Case	25.00	-
Guarantees in favour of a Bank against Facilities granted	-	-
Others (Outstanding Amount at the year end)	612.75	630.41
Un-Redeemed Bank Guarantees	1190.24	953.84
Bills Discounted with Banks	NIL	78.23

Note: Based on discussion with the Solicitors / Favourable Decisions in similar Cases / Legal opinion taken by the Group, the management believes that the outflow of resources is not probable and hence, no provision there against is considered necessary.

36. Based on the information/documents available with the Group, information as per the requirements of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

₹ in Lac

	2017-18	2016-17
Principal Amount due Interest due on above	347.66	138.76
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act 2006	-	-
Amount of interest due and payable for the period of delay Amount of interest accrued and remaining unpaid as at year end	-	-
Amount of further interest remaining due and payable in the succeeding year	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

37. Leases

(a) Operating Lease:

Certain office premises, depots, showrooms, etc. are obtained on operating lease. The lease terms are for 1-3 years and are renewable for further period either mutually or at the option of the Group. There is no escalation clause in the lease agreement. There are neither any restrictions imposed nor any escalation clause in lease arrangements. There are no subleases. The leases are cancellable.

₹ in Lac

Particulars	2017-18	2016-17
Lease Payments made for the year	1,439.18	1,515.51

The Minimum Rentals Payable under Operating Leases for non-cancellable arrangements are as follows:

₹ in Lac

Particulars	2017-18	2016-17
Within one year	692.6	721.71
After one Year but not more than Five Years	2,994.85	3,390.06
More than Five Years	3,754.03	559.8

(b) Finance Lease:

Property, plant and equipment include certain vehicles obtained on finance lease. There is no escalation clause in the lease agreement .There are no restrictions imposed by lease arrangements. The year-wise break-up and future obligation towards minimum lease payments of ₹763.19 Lac (31st March, 2017: ₹1268.74 Lac) consisting of present value of lease payments of ₹709.05 Lac (31st March, 2017: ₹1159.53 Lac) and financial charges ₹54.14 Lac (31st March, 2017: ₹109.21) under the respective agreements as on 31st March, 2018, is given below:

₹ in Lac

	31st March, 2018		31st March, 2018	
	Minimum Lease Payments	Present Value of MLP	Minimum Lease Payments	Present Value of MLP
Within one year	519.46	478.42	757.15	673.79
After One Year but not more than Five Years	243.73	230.63	511.58	485.74
Total Minimum Lease Payments	763.19	709.05	1,268.74	1,159.53
Less:-Amounts Representing Finance Charges	54.14	-	109.21	-
Present Value of minimum Lease payments	**709.05**	**709.05**	**1,159.53**	**1,159.53**

38. Capital Management

For the purpose of the Group capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

39. Derivative Instruments and Unhedged Foreign Currency Exposure

a) The particulars of hedged foreign currency exposures as on the balance sheet date are as follows:

₹ in Lac

Nature of Item	As on 31st March, 2018	As on 31st March, 2017
Foreign Currency Term Loans	-	474.69
Buyer's Credit	-	1,989.23
Trade Receivables	1,740.25	-

b) The particulars of forward contract entered against unhedged foreign currency exposures as on the balance sheet date are as follows:

₹ in Lac

Nature of Item	As on 31st March, 2018	As on 31st March, 2017
Foreign Currency Term Loans	11,815.69	9,313.01
Buyer's Credit	24,374.31	21,337.88
Trade Receivables	75.93	1,993.65
Trade Payables (Net)	5,327.55	3,647.28
Trade Advances	3347.16	6,930.42
Bank Balance	0.81	1.09

40. A CSR committee has been formed by the Group as per provisions of Section 135 of the Companies Act, 2013. The areas for CSR activities are promoting education, healthcare, animal welfare and projects ensuring environment sustainability. Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities"

₹ in Lac

	2017-18	2016-17
Amount of CSR expenditure to be incurred during the year	417.82	303.36
CSR expenditure (Revenue Nature) incurred during the year	423.16	310.46

41. The Group has paid anti-dumping duty amounting to ₹176.66 Lac (31st March, 2017: ₹176.66 Lac) on import of phenol which in opinion of the management and based on a legal opinion, is in excess of actual margin of dumping of said materials and accordingly refundable in terms of Section 9AA of Custom Tariff Act, 1975 and hence the same is considered as receivable and included under the head "Other Assets" in Note No. 10.

42. Related Party Disclosure:

(a) Name of the Related Parties and Related Party Relationship:

Key Management Personnel	Sri Sajjan Bhajanka (Chairman & Managing Director)
	Sri Sanjay Agarwal (CEO & Managing Director)
	Sri Prem Kumar Bhajanka (Managing Director)
	Sri Vishnu Khemani (Managing Director)
	Sri Hari Prasad Agarwal (Vice Chairman & Executive Director)
	Sri Ajay Baldawa (Executive Director)
	Sri Keshav Bhajanka (Executive Director)
	Smt. Nikita Bansal (Executive Director w.e.f. 01.02.2017)
	Sri Arun Kumar Julasaria (Chief Financial Officer)

42. Related Party Disclosure: *(Contd.)*

Key Management Personnel	Sri Sundeep Jhunjhunwala (Company Secretary)
	Sri Anil Kumar Choudhary
	Sri Ashok Kumar Choudhary
	Smt. Sunita Devi Choudhary
	Sri Harsh Jain
	Sri Ajay Bhagat
	Smt. Pham Ngoc Mai
	Kavitha Pandian
	Mr. Akhmarruza
	Do Thi Yen
Enterprises Owned / Influenced by Key Managerial Person or their Relatives:	Brijdham Merchants Pvt. Ltd.
	Star Cement Ltd.
	Sri Ram Merchants Pvt. Ltd.
	Sri Ram Vanijya Pvt. Ltd.
	Sumangal Business Pvt. Ltd.
	Sumangal International Pvt. Ltd.
	Aegis Business Ltd.
	Pacific Plywoods Pvt. Ltd.
	Shyam Century Multiprojects Pvt. Ltd.
	Century Led Ltd.
	Landmark Veneers Pvt. Ltd.
Relatives of Key Management Personnel	Smt. Santosh Bhajanka (Wife of Sri Sajjan Bhajanka)
	Smt. Divya Agarwal (Wife of Sri Sanjay Agarwal)
	Smt. Yash Bala Bhajanka (Wife of Sri Prem Kumar Bhajanka)
	Smt. Sudha Khemani (Wife of Sri Vishnu Khemani)
	Smt. Sumitra Devi Agarwal (Wife of Sri Hari Prasad Agarwal)
	Smt.Shraddha Agarwal (Daughter of Sri Sajjan Bhajanka)
	Smt. Payal Agrawal (Daughter of Sri Sajjan Bhajanka)
	Smt. Sonu Kajaria (Daughter of Sri Sajjan Bhajanka)
	Sri. Rajesh Kumar Agarwal (Son of Sri Hari Prasad Agarwal)
	Smt. Bhawna Agarwal (Daughter-in-law of Sri Hari Prasad Agarwal)
	Smt. Nikita Bansal (Daughter of Sri Sanjay Agarwal)
	Smt. Nancy Chowdhury (Daughter of Sri Prem Kumar Bhajanka)
	Smt. Bindu Choudhary (Wife of Sri Ashok kumar Choudhary)
	Sri Shivam Chaudhary (Son of Sri Anil Kumar Chaudhary)
	Shri Sundram Choudhary (Son of Sri Anil Kumar Choudhary)
	Smt. Priti Bhartia (Sister of Sri Harsh Jain)
	Sri Abhishek Rathi (Son-in-law of Sri Ajay Baldawa)
	Sri Surender Kumar Gupta (Brother of Sri Prem Kumar Bhajanka)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

42. Related Party Disclosure: *(Contd.)*

42 (b) Aggregated Related Party disclosure as at and for the year ended 31st March,2018

₹ in Lac

Sl.	Type of Transactions	Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1	Purchase of Raw Materials / Stores								
	Star Cement Ltd.	44.45	59.54	-	-	-	-	44.45	59.54
	Landmark Veneers Pvt. Ltd.	797.44	197.95	-	-	-	-	797.44	197.95
	Century Led Ltd.	105.93	52.89	-	-	-	-	105.93	52.89
2	Sale of Products								
	Auro Sundaram International Pvt. ltd.	-	0.05	-	-	-	-	-	0.05
	Century Led Ltd.	-	2.40	-	-	-	-	-	2.40
3	Sale of Asset								
	Pacific Plywoods Pvt. Ltd.	-	95.45	-	-	-	-	-	95.45
4	Services Availed/(Provided)								
	Sri Yash Bala Bhajanka	-	-	-	-	15.10	14.99	15.10	14.99
	Century Led Ltd.	(8.60)	(6.39)	-	-	-	-	(8.60)	(6.39)
	Pacific Plywoods Pvt. Ltd.	1.69	-	-	-	-	-	1.69	-
	Star Cement Ltd.	-	(4.13)	-	-	-	-	-	(4.13)
	Aegis Business Ltd.	3,628.60	1,000.82	-	-	-	-	3,628.60	1,000.82
5	Loan taken								
	Brijdham Merchants Pvt. Ltd.	1,284.00	948.00	-	-	-	-	1,284.00	948.00
	Sri Ram Merchants Pvt. Ltd.	752.00	366.00	-	-	-	-	752.00	366.00
	Sri Ram Vanijya Pvt. Ltd.	1,906.00	2,007.00	-	-	-	-	1,906.00	2,007.00
	Sumangal Business Pvt. Ltd.	697.00	122.50	-	-	-	-	697.00	122.50
	Sumangal International Pvt. Ltd.	813.00	370.50	-	-	-	-	813.00	370.50
	Sri Sajjan Bhajanka	-	-	18,654.00	5,650.00	-	-	18,654.00	5,650.00
	Sri Sanjay Agarwal	-	-	13,345.00	6,682.00	-	-	13,345.00	6,682.00
	Sri Keshav Bhajanka	-	-	30.00	30.00	-	-	30.00	30.00
	Sri Harsh Jain	-	-	1.60	1.68	-	-	1.60	1.68
6	Loan repaid								
	Brijdham Merchants Pvt. Ltd.	1,284.00	948.00	-	-	-	-	1,284.00	948.00
	Sri Ram Merchants Pvt. Ltd.	752.00	366.00	-	-	-	-	752.00	366.00
	Sri Ram Vanijya Pvt. Ltd.	1,906.00	2,007.00	-	-	-	-	1,906.00	2,007.00
	Sumangal Business Pvt. Ltd.	697.00	122.50	-	-	-	-	697.00	122.50
	Sumangal International Pvt. Ltd.	813.00	370.50	-	-	-	-	813.00	370.50
	Sri Sajjan Bhajanka	-	-	18,684.00	5,650.00	-	-	18,684.00	5,650.00
	Sri Sanjay Agarwal	-	-	13,345.00	6,682.00	-	-	13,345.00	6,682.00
	Sri Keshav Bhajanka	-	-	30.00	30.00	-	-	30.00	30.00
	Sri Harsh Jain	-	-	1.85	1.25	-	-	1.85	1.25
7	Loan Given								
	Auro Sundaram International Pvt. ltd.	140.01	56.83	-	-	-	-	140.01	56.83

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

42. Related Party Disclosure: *(Contd.)*

₹ in Lac

Sl.	Type of Transactions	Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
8	**Loan Received Back**								
	Auro Sundaram International Pvt. ltd.	170.03	26.80	-	-	-	-	170.03	26.80
9	**Reimbursement Paid/ (Received)**								
	Brijdham Merchants Pvt. Ltd.	-	1.02	-	-	-	-	-	1.02
	Shyam Century Multi Projects Pvt. Ltd.	-	(9.66)	-	-	-	-	-	(9.66)
	Star Cement Ltd.	0.17	0.46	-	-	-	-	0.17	0.46
	Sri Harsh Jain	-	-	-	0.41	-	-	-	0.41
10	**Investment Received**								
	Sri Harsh Jain	-	-	-	149.50	-	-	-	149.50
11	**Interest Paid**								
	Brijdham Merchants Pvt. Ltd.	20.03	40.80	-	-	-	-	20.03	40.80
	Sri Ram Merchants Pvt. Ltd.	19.61	3.57	-	-	-	-	19.61	3.57
	Sri Ram Vanijya Pvt. Ltd.	40.98	51.36	-	-	-	-	40.98	51.36
	Sumangal International Pvt. Ltd.	19.74	11.68	-	-	-	-	19.74	11.68
	Sumangal Business Pvt. Ltd.	17.54	6.02	-	-	-	-	17.54	6.02
	Sri Sajjan Bhajanka	-	-	436.64	255.45	-	-	436.64	255.45
	Sri Sanjay Agarwal	-	-	251.87	290.72	-	-	251.87	290.72
	Sri Keshav Bhajanka	-	-	1.99	0.28	-	-	1.99	0.28
12	**Director's Remuneration Paid**								
	Sri Sajjan Bhajanka	-	-	120.00	120.00	-	-	120.00	120.00
	Sri Sanjay Agarwal	-	-	120.00	120.00	-	-	120.00	120.00
	Sri Prem Kumar Bhajanka	-	-	120.00	120.00	-	-	120.00	120.00
	Sri Vishnu Khemani	-	-	120.00	120.00	-	-	120.00	120.00
	Sri Ajay Baldawa	-	-	110.50	92.50	-	-	110.50	92.50
	Sri Hari Prasad Agarwal	-	-	60.00	60.00	-	-	60.00	60.00
	Sri Keshav Bhajanka	-	-	50.00	50.00	-	-	50.00	50.00
	Smt Nikita Bansal	-	-	24.00	4.00	-	-	24.00	4.00
	Others	-	-	217.19	233.40	-	-	217.19	233.40
13	**Dividend Paid**								
	Sri Sajjan Bhajanka	-	-	250.33	-	-	-	250.33	-
	Sri Sanjay Agarwal	-	-	241.50	-	-	-	241.50	-
	Smt Divya Agarwal	-	-	-	-	167.50	-	167.50	-
	Sri Vishnu Khemani	-	-	126.08	-	-	-	126.08	-
	Smt.Santosh Bhajanka	-	-	-	-	154.50	-	154.50	-
	Others	393.29	-	87.96	-	179.81	-	661.05	-
14	**Advance Taken**								
	Mr Akhmarruza	-	-	-	64.84	-	-	-	64.84
	Smt. Priti Bhartia	-	-	-	-	-	1.25	-	1.25

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

42. Related Party Disclosure: *(Contd.)*

₹ in Lac

Sl.	Type of Transactions	Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
15	Salary Paid								
	Sri Arun Kumar Julasaria	-	-	101.41	102.29	-	-	101.41	102.29
	Sri Sundeep Jhunjhunwala	-	-	31.62	27.19	-	-	31.62	27.19
	Smt. Nikita Bansal	-	-	-	-	-	20.00	-	20.00
	Others	-	-	-	-	107.11	79.14	107.11	79.14
16	Advance Given								
	Sri Arun Kumar Julasaria	-	-	70.00	-	-	-	70.00	-
	Sri Abhishek Rathi	-	-	-	-	8.40	5.64	8.40	5.64
	Sri Sundeep Jhunjhunwala	-	-	-	6.00	-	-	-	6.00
17	Advance Received Back/ (Refunded)								
	Sri Abhishek Rathi	-	-	-	-	6.79	2.35	6.79	2.35
	Sri Sundeep Jhunjhunwala	-	-	5.00	1.00	-	-	5.00	1.00
	Mr Akhmarruza	-	-	-	-	-	-	-	-
	Sri Arun Kumar Julasaria	-	-	70.00	-	-	-	70.00	-
18	Lease Rent Paid								
	Sri Anil Kumar Choudhary	-	-	6.00	4.50	-	-	6.00	4.50
19	Balance Outstanding on account of								
A	Receivable/(Payable)								
	Do Thi Yen	-	-	-	0.05	-	-	-	0.05
	Sri Ajay Bhagat	-	-	-	1.89	-	-	-	1.89
	Mr Akhmarruza	-	-	16.26	64.84	-	-	16.26	64.84
	Century Led Ltd.	1.64	(19.36)	-	-	-	-	1.64	(19.36)
	Aegis Business Ltd.	118.51	129.59	-	-	-	-	118.51	129.59
	Brijdham Merchants Pvt. Ltd.	-	(1.02)	-	-	-	-	-	(1.02)
	Sri Abhishek Rathi	-	-	-	-	4.85	3.29	4.85	3.29
	Sri Sundeep Jhunjhunwala	-	-	-	5.00	-	-	-	5.00
	Star Cement Ltd.	(3.78)	(4.03)	-	-	-	-	(3.78)	(4.03)
	Landmark Veneers Pvt. Ltd.	(155.58)	(138.62)	-	-	-	-	(155.58)	(138.62)
B	Loans Receivable/(Payable) (Incl. interest)								
	Auro Sundram International Pvt. Ltd.	-	30.02	-	-	-	-	-	30.02
	Sri Harsh Jain	-	-	-	(0.43)	-	-	-	(0.43)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

42. Related Party Disclosure: *(Contd.)*

₹ in Lac

Sl.	Type of Transactions	Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
C	**Guarantee Obtained**								
	Sri Sajjan Bhajanka	-	-	94,250.00	1,02,146.00	-	-	94,250.00	1,02,146.00
	Sri Sanjay Agarwal	-	-	94,250.00	1,02,146.00	-	-	94,250.00	1,02,146.00
	Sri Hari Prasad Agarwal	-	-	94,250.00	1,02,146.00	-	-	94,250.00	1,02,146.00
	Sri Anil Kumar Choudhary	-	-	921.28	694.50	-	-	921.28	694.50
	Sri Ashok Kumar Choudahry	-	-	921.28	694.50	-	-	921.28	694.50
	Smt Sunita Choudhary	-	-	921.28	694.50	-	-	921.28	694.50
D	**Director's Remuneration Payable**								
	Sri Sajjan Bhajanka	-	-	6.64	-	-	-	6.64	-
	Sri Sanjay Agarwal	-	-	6.63	-	-	-	6.63	-
	Sri Hari Prasad Agarwal	-	-	3.57	-	-	-	3.57	-
	Sri Ajay Baldawa	-	-	5.65	6.56	-	-	5.65	6.56
	Sri Prem Kumar Bhajanka	-	-	6.18	4.75	-	-	6.18	4.75
	Sri Keshav Bhajanka	-	-	1.59	2.96	-	-	1.59	2.96
	Sri Ajay Bhagat	-	-	0.50	-	-	-	0.50	-
	Smt Kavitha Pandian	-	-	0.00	-	-	-	0.00	-
	Others	-	-	5.00	59.81	-	-	5.00	59.81
E	**Salary Payable**								
	Sri Arun Kumar Julasaria	-	-	18.07	19.41	-	-	18.07	19.41
	Sri Sundeep Jhunjhunwala	-	-	2.78	1.26	-	-	2.78	1.26
	Smt. Nikita Bansal	-	-	-	-	-	-	-	-
	Sri Keshav Bhajanka	-	-	-	-	-	-	-	-
	Others	-	-	-	-	5.85	4.16	5.85	4.16

43 (c) Terms and conditions of transactions with related parties

1. The sales to/ purchases from/ services availed from/ and services provided to related parties are made on terms equivalent to those that prevail in arm's length transactions.
2. Outstanding balances at the year-end from related parties are unsecured, interest free and will be settled in cash.
3. Employee related recoverable balances are unsecured, interest free and will be settled in cash.
4. The Group has taken loan from Enterprises owned/influenced by Key Management Personnel (KMP) or their relatives as well as from KMP's.

   The loan was unsecured and was repayable on demand. The loan carried an interest @6.75% p.a.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

43. Fair values measurements

(i) Financial instruments by category:

₹ in Lac

	31st March, 2018		31st March, 2017	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Non current financial assets				
(i) Investments	-	2.02	-	0.05
(ii) Loans and advances	-	1,207.68	-	1,026.08
(iii) Other non-current financial assets	-	32.53	-	-
Current financial assets				
(i) Trade receivable	-	35,720.14	-	34,217.52
(ii) Cash and cash equivalents	-	2,028.83	-	6637.07
(iii) Bank balances other than above	-	82.92	-	85.14
(iv) Loans and advances	-	1,329.75	-	389.28
(v) Other current financial assets	-	1,124.18	-	7662.28
Total Financial assets	-	**41,528.05**	-	**50,017.42**
Non current financial liabilities	-		-	
(i) Borrowings	-	16,693.81	-	14,674.86
(ii) Other non-current financial liabilities	-	-	-	9.00
Current financial liabilities	-		-	
(i) Borrowings	-	36,767.61	-	41,955.61
(ii) Trade payables	-	17,528.27	-	14,098.19
(iii) Other current financial liabilities	-	10,236.84	-	9,111.79
Total Financial liabilities	-	**81,226.53**	-	**79,849.45**

Notes:-

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

44. Financial Risk Management Objectives and Policies

The Group's Financial liabilities comprise long term borrowings, short term borrowings, capital creditors, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets include trade and other receivables, cash and cash equivalents and deposits.

The Group is exposed to market risk and credit risk. The Group has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate risk governance framework for the Group. The audit committee provides assurance to the Group's management that the Group's risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

44. Financial Risk Management Objectives and Policies *(Contd.)*

a. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. Such foreign currency exposures are partly hedged by the Group. The Group has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Group.

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Group profit before tax is due to changes in the fair value of assets and liabilities.

Change in Foreign currency rates	Effect on Profit before Tax	
	As on 31st March, 2018	As on 31st March, 2017
5%	-1,909.88	-1,268.46
-5%	1,909.88	1,268.46

b. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Lac

	Increase/ decrease in basis points	Effect on profit before tax
31st March, 2018	+50	(285.10)
	-50	285.10
31st March, 2017	+50	(133.67)
	-50	133.67

(ii) Credit Risks

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

The Group implements a credit risk management policy under which the Group only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness.

Trade Receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on credit losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note No. 12 as the Group does not hold collateral as security. The Group has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

44. Financial Risk Management Objectives and Policies *(Contd.)*

Credit risk also arises from transactions with financial institutions, and such transactions include transactions of cash and cash equivalents, various deposits, and financial instruments such as derivative contracts. The Group manages its exposure to this credit risk by only entering into transactions with banks that have high ratings. The Group's treasury department authorizes, manages, and oversees new transactions with parties with whom the Group has no previous relationship.

Furthermore, the Group limits its exposure to credit risk of financial guarantee contracts by strictly evaluating their necessity based on internal decision making processes, such as the approval of the board of directors.

Credit risk exposure

The carrying amount of financial assets represents the Group's maximum exposure to credit risk. The maximum exposure to credit risk as of 31st March, 2018 and 31st March, 2017 are as follows:

₹ in Lac

	31st March, 2018	31st March, 2017
Cash and cash equivalents	2,028.83	6,637.07
Other Bank balances	82.92	85.14
Loans and other receivables	1,329.75	389.28
Trade receivable (net)	35,720.14	34,217.52
	39,161.64	**41,329.01**

Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

₹ in Lac

Trade Receivables (measured under life time excepted credit loss model)	31st March, 2018	31st March, 2017
Loss Allowance at the beginning of the year	762.58	541.95
Add: Loss Allowance provided during the year	124.99	220.63
Less: Write Off	-	-
Less: Loss Allowance reversed during the year	-	-
Loss Allowance at the end of the year	**887.57**	**762.58**

The ageing of trade accounts and notes receivable as of 31st March, 2018 and 31st March, 2017 are as follows:

₹ in Lac

Particulars	31st March, 2018	31st March, 2017
Not due	21,079.20	19,836.50
Overdue less than 6 months	12,368.29	10,203.96
more than 6 months - 12 months	927.61	2,445.78
more than 12 moths - 24 months	1,137.74	1,615.52
over 24 months	1,094.87	878.34
Gross Amount	**36,607.71**	**34,980.10**
Less: Expected Credit Loss	887.57	762.58
Sundry Debtors Balance	**35,720.14**	**34,217.52**

No. significant changes in estimation techniques or assumptions were made during the reporting period.

44. Financial Risk Management Objectives and Policies *(Contd.)*

c **Liquidity Risk**

The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Group relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs.

The table below summarises the maturity profile of the Group financial liabilities based on contractual undiscounted payments.

Availability of Liquidity is as follows

The Group's undrawn borrowing facilities at the end of the reporting period is:

₹ in Lac

Particulars	31st March, 2018	31st March, 2017
Cash and Cash Equivalents	2,028.83	6,637.07
Availability under committed credit facilities	23,325.87	14,735.71

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

₹ in Lac

Particulars	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 years	Total
Year ended 31st March, 2018						
Borrowings	36,767.61	2,880.21	2,343.63	4,443.35	-	46,434.80
Other financial liabilities	10,236.84	-	-	-	-	10,236.84
Trade payables	17,528.27	-	-	-	-	17,528.27
	64,532.72	**2,880.21**	**2,343.63**	**4,443.35**	-	**74,199.91**
Year ended 31st March, 2017						
Borrowings	41,955.61	3,358.12	3,083.41	4,936.64	3,296.69	56,630.47
Other financial liabilities	9,111.79	-	-	-	-	9,111.79
Trade payables	14,098.19	-	-	-	-	14,098.19
	65,165.59	**3,358.12**	**3,083.41**	**4,936.64**	**3,296.69**	**79,840.45**

45. The contribution of the subsidiaries acquired during the year is as under:

₹ in Lac

Name of the Subsidiary	Revenue (post acquisition)	Net Profit/ (Loss) (post acquisition)	Net Assets
Century Huesoulin Plywood Lao Co. Ltd.	3669.98	658.71	3852.37

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

46. The Company's Segment Information as at and for the year ended 31st March, 2018 are as below:

₹ in Lac

Sl		Plywood	Laminate	MDF	Plain Particle Board	CFS Services	Others	Total
a	**Revenue(Gross)**							
	External Sales	1,35,069.05	43,304.20	11,311.70	2,727.89	9,944.29	3,642.96	2,06,000.09
		(1,39,529.58)	(41,227.79)	(336.51)	(1,854.21)	(8,800.71)	(4,437.43)	(1,96,186.23)
	Inter-segment Sales	-	-	-	1,917.36	23.72	294.90	2,235.98
		-	-	-	(665.02)	(40.65)	(170.25)	(875.92)
	Total Revenue (Gross)	1,35,069.05	43,304.20	11,311.70	4,645.25	9,968.01	3,937.86	2,08,236.07
		(139529.58)	(41227.79)	(336.51)	(2,519.23)	(8841.36)	(4607.68)	(1,97,062.15)
b	**Result**							
	Segment Results	18,585.66	5,382.66	(245.57)	(390.61)	2,819.63	(149.38)	26,002.39
		(22,968.62)	(5,194.65)	(-15.54)	(-694.34)	(2,353.84)	(-980.86)	(28,826.36)
	Unallocated Income/ Expenses(-) (Net of unllocated expenses/income)							(1,176.29)
								1,307.12
	Operating Profit							24,826.10
								(27,519.24)
	Finance Cost							3,583.47
								(3,021.45)
	Taxation Expense							4,628.66
								(5,149.87)
	Net Profit (before non controlling interest)							16,613.97
								(19,347.92)
	Other Information							
a	**Total Assets**							
	Segment Assets	79,458.66	24,946.58	39,051.64	5,115.23	5,066.69	2,172.46	1,55,811.26
		(82,009.81)	(20,154.77)	(28,895.68)	(5,858.57)	(5,791.62)	(2,026.35)	(1,44,736.79)
	Unallocated Corporate/Other Assets							16,731.72
								(13,752.57)
								1,72,542.98
								(1,58,489.36)
b	**Total Liabilities**							-
	Segment Liabilities	18,357.04	4,816.33	2,669.61	90.91	1,067.95	541.74	27,543.58
		(15,228.56)	(4,122.84)	(2,414.86)	(184.19)	(839.70)	(727.71)	(23,517.87)
								-
	Unallocated Corporate/Other Liabilities							58,004.64
								(62,281.53)
								85,548.22
								(85,799.40)
c	**Capital Expenditure**	7,704.50	5,449.93	8,967.07	167.34	399.90	1.08	22,689.82
		(4,360.03)	(983.70)	(22,579.02)	(1,503.42)	(643.52)	(0.29)	(30,069.98)
	Unallocated Capital Expenditure							3,696.08
								(1,307.57)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

46. The Company's Segment Information as at and for the year ended 31st March, 2018 are as below: *(Contd.)*

₹ in Lac

Sl		Plywood	Laminate	MDF	Plain Particle Board	CFS Services	Others	Total
d	**Depreciation/Amortisation**	2,981.44	1,218.04	2,390.54	1,457.25	1,002.56	16.62	9,066.45
		(2,570.20)	(1,020.82)	-	(1,209.54)	(1,087.24)	(46.15)	(5,933.95)
e	Geographical Segment							
	i. Revenue (Gross)							
	India							1,89,402.44
								(1,82,765.62)
	Overseas							16,597.65
								(13,420.61)
	ii. Carrying amount of Segment Assets							
	India							1,41,065.35
								(1,32,277.41)
	Overseas							14,745.91
								(12,459.38)

Note:- Previous years figures are in bracket

47. The Subsidiary Companies considered in the Financial Statements are as follows:

Name	Country of Incorporation	% Voting Power as on 31st March, 2018	% Voting Power as on 31st March, 2017
Auro Sundram Ply & Door Pvt. Ltd.	India	51	51
Century MDF Ltd.	India	100	100
Ara Suppliers Pvt. Ltd.	India	80	80
Arham Sales Pvt. Ltd.	India	80	80
Adonis Vyaper Pvt. Ltd.	India	80	80
Apnapan Viniyog Pvt. Ltd.	India	80	80
Century Infotech Limited.	India	60.06	60.06
Centuryply Myanmar Pvt. Ltd.	Myanmar	100	100
Century Ply (Singapore) Pte Ltd.	Singapore	97.26	97.26
PT Century Ply Indonesia	Indonesia	95	95
Century Huesoulin Plywood Lao Co., Ltd.			
(Formerly-Huesoulin Wood Processing Factory Co. Ltd.)	Laos	51	NA
Century Ply Laos Co.Ltd.	Laos	90	90

Century Huesoulin Plywood Lao Co., Ltd – associate from 14.06.17 to 27.08.17

48. Events occurring after the Balance Sheet date

Proposed Dividend

The Board of Directors at its meeting held on 16th May, 2018 have recommended a payment of final dividend of ₹1 per equity share of face value of ₹1 each for the financial year ended 31st March, 2018. The same amounts to ₹2,674.02 Lac (including dividend distribution tax of ₹452.29 Lac).

The above is subject to approval at the ensuing Annual General Meeting of the Group and hence is not recognized as a liability.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

49. Earning per Share (EPS)

In terms of Ind AS- 33 on "Earning Per Share" the calculation of EPS is given below: -

	2017-18	2016-17
Profit as per the Statement of Profit & Loss (₹ in Lac)	16,306.07	19,046.07
Profit available for Equity Shareholders (₹ in Lac)	16,306.07	19,046.07
Weighted average number of Equity Shares outstanding during the year	22,21,72,990	22,21,72,990
Nominal value of equity shares (₹)	1	1
Basic and Diluted earnings per share (EPS) (₹)	**7.34**	**8.57**

50. Additional Information pursuant to Schedule III of the Companies Act, 2013.

₹ in Lac

Type of Transactions	Net Assets (Total Assets minus Total Liabilities		Share in Profit & Loss		OCI		TCI	
	2017-18		2017-18		2017-18		2017-18	
	As % of consolidated Net assets	Net Assets	As % of consolidated Profit or Loss	Profit/(Loss)	As % of consolidated OCI	OCI	As % of consolidated TCI	TCI
Parent Company								
Century Plyboards (India) Limited	86.06%	73,281.62	96.06%	15,663.72	129.73%	-57.43	96.01%	15,606.29
Indian Subsidiaries								
Direct Subsidiaries								
Adonis Vyaper Private Limited	0.20%	169.22	0.00%	0.07	-	-	0.00%	0.07
Apnapan Viniyog Private Limited	0.20%	169.28	0.00%	0.07	-	-	0.00%	0.07
Ara Suppliers Private Limited	0.20%	168.31	0.00%	0.06	-	-	0.00%	0.06
Arham Sales Private Limited	0.20%	169.33	0.00%	0.10	-	-	0.00%	0.10
Century Infotech Limited	0.04%	30.39	-0.04%	-6.21	-	-	-0.04%	-6.21
Century MDF Limited	0.04%	29.87	0.00%	-0.03	-	-	0.00%	-0.03
Auro Sundram Ply & Door Pvt. Ltd.	2.68%	2,283.41	3.71%	604.84	-29.73%	13.16	3.80%	618.00
Foreign Subsidiaries								
Direct Subsidiaries								
Centuryply Myanmar Pvt. Ltd.	7.31%	6,228.39	-0.97%	-157.82	-	-	-0.97%	-157.82
Century Ply (Singapore) Pte Ltd.	5.24%	4,464.94	3.12%	509.14	-	-	3.13%	509.14
Non-Controlling Interest	-2.17%	-1,839.36	-1.88%	-307.90	-	-	-1.93%	-314.35
Total	**100.00%**	**85,155.40**	**100.00%**	**16,306.05**	**100.00%**	**-44.27**	**100.00%**	**16,255.32**

51. Charity and Donations includes ₹6.50 Lac (₹500 Lac) paid to the political parties

52. The financial statements are approved by the Audit Committee at its meeting held on 16th May, 2018 and by the Board of Directors on the same date.

53. Notes to the Consolidated Financial Statements comprises of Information relevant for the Group

For Singhi & Co.
Firm Registration No. - 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518

Place: Kolkata
Date:16th May, 2018

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Sanjay Agarwal
CEO & Managing Director
DIN:00246132

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

NOTES

Corporate Information

BOARD OF DIRECTORS

CHAIRMAN AND MANAGING DIRECTOR
Sajjan Bhajanka

EXECUTIVE DIRECTORS
Hari Prasad Agarwal
Sanjay Agarwal
Prem Kumar Bhajanka
Vishnu Khemani
Ajay Baldawa
Keshav Bhajanka
Nikita Bansal

INDEPENDENT DIRECTORS
Asit Pal
Debanjan Mandal
J P Dua
Mamta Binani
Mangi Lal Jain
Santanu Ray
Sunil Mitra
Vijay Chhibber

CHIEF FINANCIAL OFFICER
Arun Kumar Julasaria

COMPANY SECRETARY
Sundeep Jhunjhunwala

AUDITORS

Singhi & Co.
Chartered Accountants
161, Sarat Bose Road
Kolkata 700026

BANKERS

Allahabad Bank
State Bank of India
Corporation Bank
Union Bank of India
HDFC Bank
DBS Bank Ltd.
IDBI Bank Ltd.

BOARD COMMITTEE

AUDIT COMMITTEE
Mangi Lal Jain (Chairman)
Santanu Ray
Mamta Binani
Hari Prasad Agarwal

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Sajjan Bhajanka (Chairman)
Hari Prasad Agarwal
Mangi Lal Jain
Mamta Binani

SHARE TRANSFER COMMITTEE
Hari Prasad Agarwal (Chairman)
Keshav Bhajanka
Ajay Baldawa

NOMINATION AND REMUNERATION COMMITTEE
Mangi Lal Jain (Chairman)
Santanu Ray
Mamta Binani

FINANCE COMMITTEE
Sajjan Bhajanka (Chairman)
Hari Prasad Agarwal
Sanjay Agarwal

STAKEHOLDERS RELATIONSHIP COMMITTEE
Mamta Binani (Chairman)
Hari Prasad Agarwal

MAJOR PLANT LOCATIONS

PLYWOOD AND VENEER UNITS

- Kanchowki, Bishnupur, District: 24 Parganas (S), West Bengal
- Chinnappolapuram, Gummidipoondi, Tamil Nadu
- Rambha Road, Taraori, Haryana
- Mirza Palasbari Road, Kamrup, Assam
- Village Moti Chirai, Taluka Bhachau-Kachchh, Gujarat

PLYWOOD AND VENEER UNITS
(Owned by subsidiaries)

- Roorkee, Uttarakhand
- Yangon, Myanmar
- Attapeu, Laos

LAMINATE
Kanchowki, Bishnupur,
District:24 Parganas (S)
West Bengal

CONTAINER FREIGHT STATION

- Block-B & C, Sonai, Khidderpore, Kolkata, West Bengal
- Hide Road, Brace Bridge, Khidderpore, Kolkata, West Bengal

MDF

- Village Doulwal, Tehsil and Dist Hoshiarpur, Punjab

REGISTERED OFFICE

6, Lyons Range, Kolkata 700 001, West Bengal
Phone : 033-3940 3950
Fax : 033-2248 3539
Email: investors@centuryply.com

REGISTRAR & SHARE TRANSFER AGENTS

Maheshwari Datamatics Pvt. Ltd.
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