CENTURYPLY®
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CENTURY PLYBOARDS (INDIA) LIMITED

CENTURYPLY

AR
2020-21

CONTENTS

Forward-looking statement:

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should know or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman and Managing Director
Sri Sajjan Bhajanka

Executive Directors
Sri Sanjay Agarwal
Sri Prem Kumar Bhajanka
Sri Vishnu Khemani
Sri Ajay Baldawa
Sri Keshav Bhajanka
Smt. Nikita Bansal
Sri Rajesh Kumar Agarwal

Independent Directors
Sri Amit Kiran Deb
Sri Debanjan Mandal
Sri J.P. Dua
Smt. Mamta Binani
Sri Probir Roy
Sri Sunil Mitra
Sri Vijay Chhibber
Sri Naresh Pachisia

Chief Financial Officer
Sri Arun Kumar Julasaria

Company Secretary
Sri Sundeep Jhunjhunwala

AUDITORS

Statutory Auditors
M/s Singhi & Co.
Chartered Accountants
161, Sarat Bose Road
Kolkata 700026

Secretarial Auditors
M/s MKB & Associates
Company Secretaries
8, Camac Street
Kolkata-700017

BANKERS

Indian Bank
Union Bank of India
HDFC Bank
DBS Bank India Ltd.
Standard Chartered Bank
Yes Bank Ltd.

COMMITTEES

Audit Committee
Sri J.P. Dua (Chairman)
Sri Naresh Pachisia
Sri Probir Roy
Sri Rajesh Kumar Agarwal

Nomination and Remuneration Committee
Sri Sunil Mitra (Chairman)
Smt. Mamta Binani
Sri Vijay Chhibber

Corporate Social Responsibility Committee
Sri Sajjan Bhajanka (Chairman)
Sri Rajesh Kumar Agarwal
Sri Sunil Mitra

Stakeholders Relationship Committee
Smt. Mamta Binani (Chairperson)
Sri Rajesh Kumar Agarwal
Smt. Nikita Bansal

Share Transfer Committee
Sri Rajesh Kumar Agarwal (Chairman)
Sri Ajay Baldawa
Sri Keshav Bhajanka

Risk Management Committee
Sri Sanjay Agarwal (Chairman)
Sri Keshav Bhajanka
Sri Arun Kumar Julasaria
Sri Debanjan Mandal

Finance Committee
Sri Sajjan Bhajanka (Chairman)
Sri Sanjay Agarwal
Sri Rajesh Kumar Agarwal

MAJOR PLANT LOCATIONS

Plywood & Veneer Units
- Kanchowki, Bishnupur, District: 24 Parganas (S), West Bengal
- Chinnappolapuram, Gummidipoondi, Tamil Nadu
- Rambha Road, Taraori, Haryana
- Mirza Palashbari Road, Kamrup, Assam
- Village Moti Chirai, Taluka Bhachau-Kachchh, Gujarat

Plywood & Veneer Units (Owned by subsidiaries)
- Roorkee, Uttarakhand
- Yangon, Myanmar
- Attapeu, Laos
- Savannakhet, Laos
- Gabon, Africa

Laminate
- Kanchowki, Bishnupur, District: 24 Parganas (S), West Bengal

MDF
- Village Doulowal, Tehsil and Dist: Hoshiarpur, Punjab

Particle Board
- Chinnappolapuram, Gummidipoondi, Tamil Nadu

Container Freight Station
- Block- B & C, Sonai, Khidderpore, Kolkata, West Bengal
- Hide Road, Brace Bridge, Khidderpore, Kolkata, West Bengal

Registered Office

P-15/1, Taratala Road, Kolkata – 700088
Phone: 033-39403950
Fax: 033-24015556

REGISTRAR AND SHARE TRANSFER AGENT

M/s Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001, West Bengal
Phone: 033-2243 5029, Email: mdpldc@yahoo.com

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CIN

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WE WILL START THIS ANNUAL REPORT WITH A STORY.

There was a time when all was peaceful and people stayed in prosperity.

Then one day, an unknown enemy invaded that land...

The enemy could not be seen; it moved with speed; it attacked at random.

'This is the end of us,' said some people.

Except for one.

All he said was,'Keep faith.'

At a time of hopelessness, this one individual drew out a list of things to be done.

The individual ensured that everyone was safe inside homes so that the unseen enemy could not enter.

The individual collected a small 'army'.

Each one from the army was assigned specific work.

When everyone was still locked inside homes, the army was busy toiling.

Some laughed....what will this achieve, they said.

The army conserved its resources.

The army built a stronger defense.

The army inspired and motivated.

The army created a new surface that could help in killing unseen enemies.

And then one day...

One day, the tide turned.

The word went out: 'We are winning.'

The small army had helped protect.

And lived to fight another day.

This then is the story of the small army.

But wait...

It is not just the story of the small army.

It is story of every one of us.

Every one of us who has resisted the unforeseen and the unprecedented.

There is a champion inside every one of us.

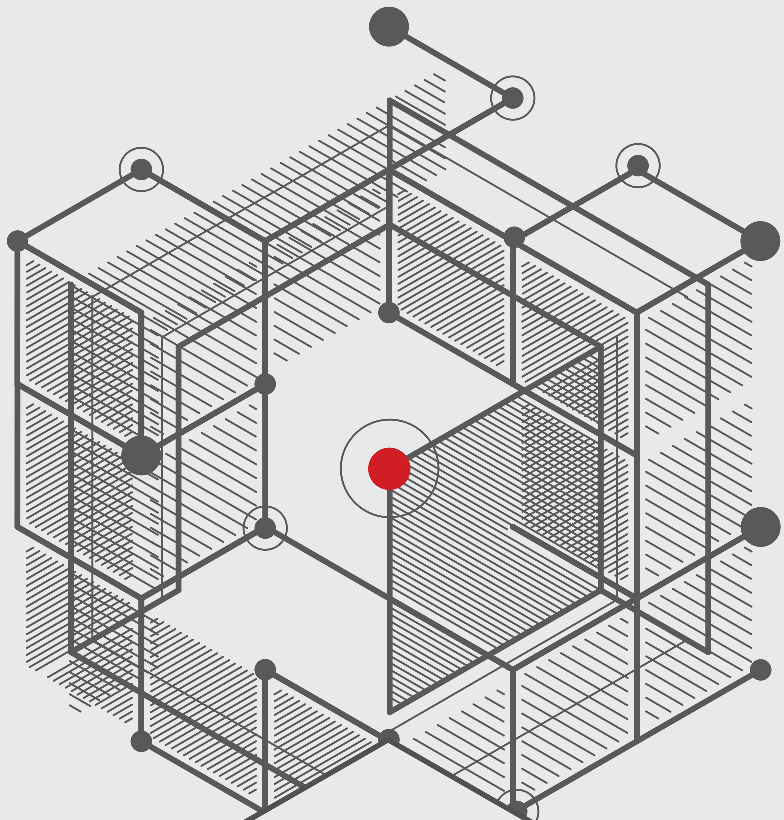
That is all this Annual Report is about.

CENTURYPLY IS MORE THAN A BRAND THAT CONSUMERS RESPECT.

IT IS A BRAND THAT PEOPLE LOVE.

PEOPLE LOVE CENTURYPLY BECAUSE THE COMPANY ASSURES ITS STAKEHOLDERS OF SAFETY.

ENCAPSULATED IN THE OVERARCHING COMMITMENT OF *'RAHO BEFIKAR.'*



PEDIGREE

In the last few years, Centuryply has graduated from a prominent player in India's interior infrastructure sector to industry leader and statesman.

The Company was promoted by Mr. Sanjay Agarwal (Managing Director) and Hari Prasad Agarwal, later joined by Mr. Sajjan Bhajanka (Chairman).

The promoters are aided by a team of professionals across a range of competencies and possessing a rich industry experience.

The Company's strategic direction is being directed by a Board with Directors comprising professionals of standing drawn from various fields.

The Company's manufacturing facilities are located in Joka (West Bengal), Guwahati (Assam), Kandla (Gujarat), Chennai (Tamil Nadu), Karnal (Haryana) and Hoshiarpur (Punjab). The units in Roorkee (Uttarakhand), Myanmar, Laos and Gabon are managed by the Company's subsidiary companies.

THE CENTURYPLY ECO-SYSTEM

What we brought to our business

Installed capacity

3,00,000
Plywood manufacturing capacity (CBM per annum)

8.77
Laminate manufacturing capacity (Million sheets per annum)

1,98,000
MDF manufacturing capacity (CBM per annum)

54,000
Particle boards manufacturing capacity (CBM per annum)

1,56,000
Container freight station capacity, TEU's (twenty-foot equivalent units)

6
MW, solar renewable energy generation capacity

How we utilised our assets in 2020-21

Capacity utilisation

68
% plywood capacity utilisation (79% in 2019-20)

74
% laminates capacity utilisation (102% in 2019-20)

102
% particle boards capacity utilisation (116% in 2019-20)

72
% MDF capacity utilisation (82% in 2019-20)

How we enhanced value

Capacity utilisation

202
Bps, growth in EBITDA margin in 2020-21

1,261.21
₹ Crore, total net worth on the Company's books, 31 March 2021

124.53
₹ Crore, total debt on the Company's books, 31 March 2021

21
% of revenues derived from products launched in the four years ending 31 March 2021

25
% share of India's organised plywood sector (estimated), 2020-21

PART

1

SPIRIT OF NEW CENTURY

SAJJAN BHAJANKA
Chairman and Managing Director

Dear shareholders

I normally write a detailed analysis of Century Plyboards' performance in the previous financial year.

This year I will make it brief.

I will communicate what is uppermost in my mind – and perhaps the most important communication point.

I am going to write about the spirit of our Company.

In 1996, the Company faced its most serious crisis when the Supreme Court banned the felling of trees for plywood manufacture across North East India. Most hinted that perhaps the Company's business would be discontinued. The management at Century responded with agility; it coordinated access from other points of supply and reported its best-ever performance (revenues and profits) within a year.

Never was this spirit more tested than during 2020 when we never knew whether the consumption markets would be closed for one week, one months or six months following the imposition of the lockdown.

The team at Century Plyboards could have gone into hibernation and waited for the markets to reopen. Interestingly, it was during this lockdown period that I perceived a new face of our Company.

A company that continued to trust the deep Indian consumption potential.

A company that continued to believe that people would wish to live in better homes.

A company that was convinced that all economic blockers would be temporary.

Across various levels of the Company – connected with each other through remote video conference – one could notice a certain restlessness. This is a precise word that I have used – 'restlessness'. Our people were impatient; they needed to displace the status quo; they needed to be the first into the open (when permitted by the government).

The result is that our manufacturing plants were possibly the first to reopen within the country's interior infrastructure sector. This was just the opening we needed. From that point onwards, various Century teams pitched in: we manufactured more, we marketed quicker, we realised higher, we moderated costs, we launched more effectively, we generated better margins and we finished the year with more cash on our books than at any time in our existence.

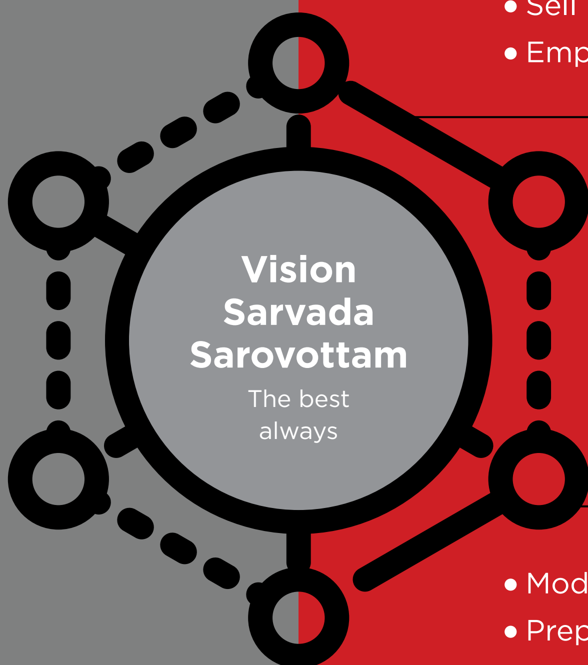
What I want to assure shareholders is that this is not just an instance of a rise in the level of the water raising the level of all ships. This is an outperformance that could be the beginning of a new phase in our existence.

During this phase, we expect to replicate the growth that we achieved in the last couple of decades in only the next few years.

Our best is round the corner.

- Manufacture the most
- Get it right first time
- Maximise 'A' grade proportion

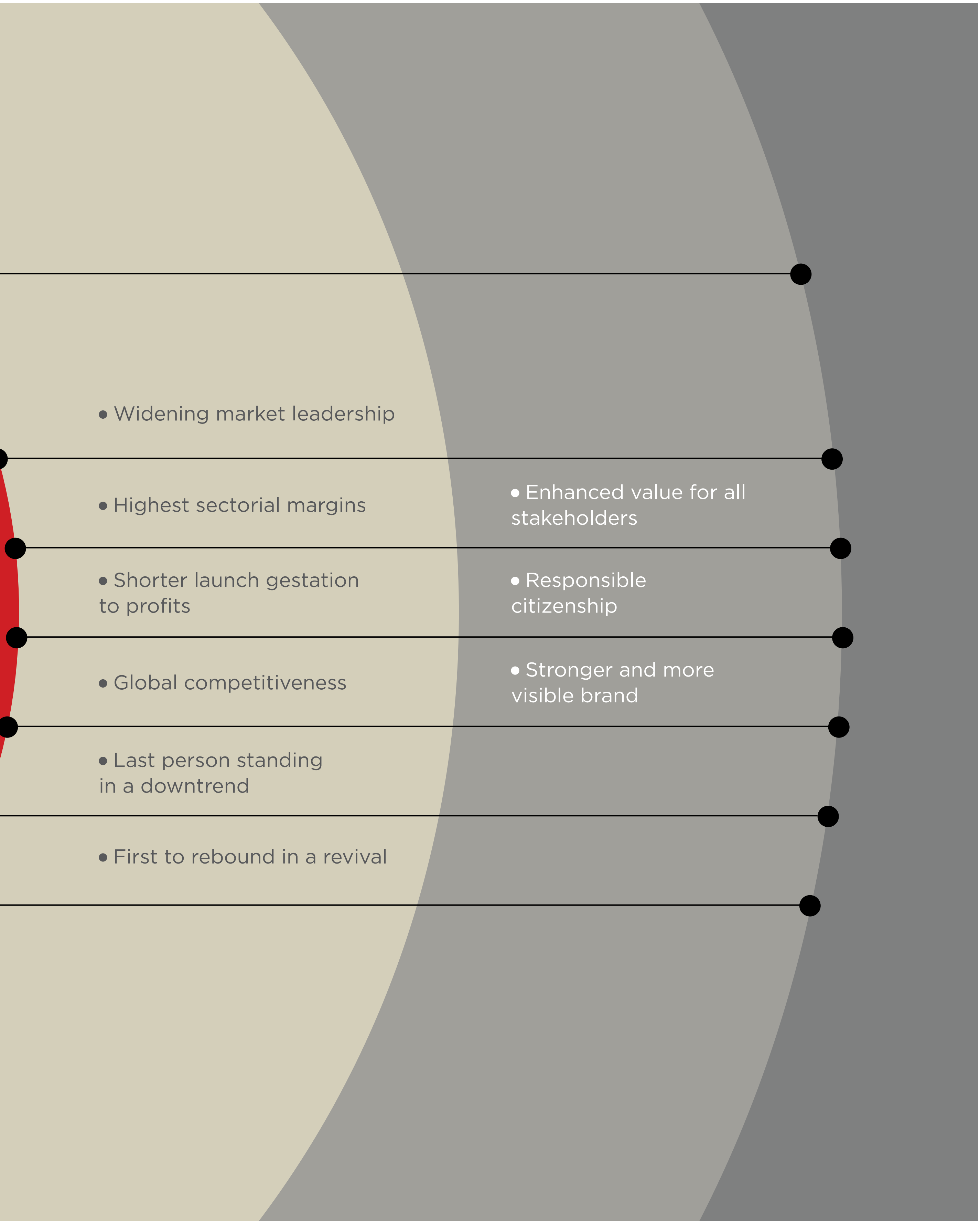
- Engage in informed sales
- Enhance sales velocity
- Sell more of the value-added
- Empower buying from anywhere



- Digitalise the corporation
- Do more with less
- Disrupt with differentiated products

- Moderate costs
- Prepay debt
- Invest out of accruals

- Minimise inventories
- Shrink the working capital cycle
- Moderate receivables
- Grow with no interest outflow


• Widening market leadership
• Highest sectorial margins
• Enhanced value for all stakeholders
• Shorter launch gestation to profits
• Responsible citizenship
• Global competitiveness
• Stronger and more visible brand
• Last person standing in a downtrend
• First to rebound in a revival

PART

2

PERFORMANCE

A NEW CENTURY WAS INCREASINGLY VISIBLE ACROSS EVERY SUCCESSIVE QUARTER OF 2020-21

The financial health of our business

Year, 2020-21	Quarter one	Quarter two	Quarter three	Quarter four
Revenues (₹ Crore)	200.68	519.82	654.36	738.62
EBITDA (₹ Crore)	5.45	87.09	111.22	130.48
Profit after tax (₹ Crore)	(8.49)	51.44	65.88	83.23
Cash profit (₹ Crore)	5.78	67.65	82.10	99.15

The financial hygiene of our business

Year, 2020-21	Quarter one	Quarter two	Quarter three	Quarter four
EBITDA margin %	2.7	16.8	17.0	17.7
Interest cover (x)	(1.75)	39.57	88.45	39.82
Interest outflow (₹ Crore)	5.05	1.79	1.07	2.88

HOW WE TRANSFORMED IN THE LAST FEW YEARS

Revenues

(₹ Crore)

2020-21	2,113.48
2019-20	2,282.68
2018-19	2,263.83
2017-18	2,002.04

Definition
Year-on-year movement in sales, net of taxes (if any)

Why is this measured?
It showcases the Company's ability to enhance sales, a number that can be compared with sectorial peers.

What does it mean?
Aggregate sales decreased by 7.4% to 2,113.48 Crore in 2020-21 due to the effects of the COVID-19 pandemic.

Value impact
The Company grew faster than the sectorial average, which resulted in market share growth in 2020-21.

EBITDA

(₹ Crore)

2020-21	334.25
2019-20	315.18
2018-19	306.43
2017-18	312.73

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

Why is this measured?
It is an index that showcases the Company's ability to generate a surplus following the expensing of operating costs.

What does it mean?
It helps create a robust growth engine, a large part of which could be available for reinvestment

Value impact
The Company generated an attractive growth in EBITDA despite sectorial challenges, making it yet another successive year of growth

Net profit

(₹ Crore)

2020-21	192.07
2019-20	158.17
2018-19	158.76
2017-18	156.64

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

Why is this measured?
This measure highlights the strength of the business model in enhancing shareholder value

What does it mean?
It ensures that adequate surplus is available for reinvestment in the company's operations.

Value impact
The Company reported a 21.43 % increase in net profit in 2020-21 following all-round business-strengthening a year of profitable growth

EBITDA margin

(%)

2020-21	15.82
2019-20	13.80
2018-19	13.50
2017-18	15.90

Definition
EBITDA margin is a profitability measure used to assess a company's ability to generate a surplus (pre-interest, depreciation and tax) on a rupee of sales, expressed as a percentage

Why is this measured?
The EBITDA margin provides a lucid insight into the company's earning capacity, which can be compared across companies within the same sector

What does it mean?
This demonstrates the buffer available within the company to absorb interest and tax outflow and after making a provision for depreciation

Value impact
The Company reported a 202 bps increase in EBITDA margin during 2020-21, following cost reduction and higher realisations

RoCE
(%)

2020-21	20.00
2019-20	17.60
2018-19	17.88
2017-18	17.21

Definition
It is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed in the business

Why is this measured?
RoCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

What does it mean?
Enhanced RoCE can influence valuation and perception.

Value impact
The Company reported a 240 bps increase in RoCE during 2020-21.

Debt-equity ratio
(%)

2020-21	0.09
2019-20	0.22
2018-19	0.52
2017-18	0.63

Definition
This is derived through the ratio of debt to net worth

Why is this measured?
This is one of the defining measures of a company's financial solvency.

What does it mean?
This measure indicates the extent of borrowing room within, the lower the gearing the better.

Value impact
The Company's gearing improved by 0.13x following debt repayment and increased net worth.

Average debt cost
(%)

2020-21	6.03
2019-20	7.60
2018-19	6.66
2017-18	4.88

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

Why is this measured?
This indicates our ability in convincing bankers and other debt providers of the robustness of our business model, translating into a progressively lower debt cost (potentially leading to higher margins).

What does it mean?
Enhanced cash flows; strengthened a case for improved credit rating for successive declines in debt cost

Value impact
The debt cost of the company declined 157 bps during the year.

Interest cover
(x)

2020-21	25.17
2019-20	6.65
2018-19	5.75
2017-18	7.09

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

Why is this measured?
Interest cover indicates the Company's comfort in servicing interest – the higher the better.

What does it mean?
A company's ability to meet its interest obligations, an aspect of its solvency, is arguably one of the most important factors in assuring sizeable returns to shareholders.

Value impact
The Company's interest cover strengthened to 25.17x from 6.65x in the previous year.

PERFORMANCE REVIEW FOR 2020-21

THE WORST OF TIMES. THE BEST OF TIMES.

HOW CENTURY DEMONSTRATED THE BEST OF ITS SPIRIT IN A CHALLENGING YEAR

4 lockdown learnings

- A crisis is the best moment to drive change
- A liquid and under-borrowed Balance Sheet provides strategic clarity and patience
- The time is always right to moderate costs and enhance competitiveness
- Never waste a crisis; the best opportunities are found in chaos and uncertainty

Overview

The year 2020-21 will go down as a definitive year in the existence of Century Plyboards. If there is just one message that one would like to leave with the reader, then it is this: after 2020-21, we will never be the same again.

The year was segregated into parts – the first quarter of the year was the most challenging that we have seen in our existence, when a compulsory lockdown caused a shutdown of our factories, closure of dealer store fronts and consumers deferring their purchases. These were easily our most challenging days on account of the uncertainty related to the extent of the lockdown that made planning impossible.

However, it was this locked-down quarter that was possibly also the best in the Company's existence. The numbers do scant justice to the Company's performance: revenues declined 7.4% compared to the corresponding period of the previous financial year. However, EBITDA increased by 6% due to higher profits resulting out of cost reduction and improved realisation.

At this point there were two options that remained with us: duck in the face of the storm and wait for a better morning or be alive to emerging opportunities.

I am pleased to communicate that a forward-looking Century Plyboards said, 'Let us not wait for the current to turn; let us row harder.'

And that made all the difference.

The first quarter

It might come as a surprise but Century Plyboards was busiest in that first quarter. Behind the curtain of a lockdown, we worked from home and planned how fast we could get our manufacturing facilities back on stream once the government permitted us to resume operations.

The result is that our first manufacturing facility resumed operations on 6th May, 2020; by the end of the first quarter, all our manufacturing facilities had been re-commissioned. Our Company's facilities were the first within India's interior infrastructure sector to resume operations. This development did not go unnoticed; it sent out a signal across all our trade partners and consumers that the Company was seized of the need to transform every setback into an opportunity.

The result was reflected in the numbers. Century Plyboards reported revenues of ₹200.68 Crore during that quarter, EBITDA of ₹5.45 Crore, EBITDA margin of 2.7%, profit after tax of ₹(8.49) Crore and an interest cover of (1.75)x. If this is how the Company could perform in the most challenging quarter in its existence, then it only reflected the spirit of the organisation to counter adversity.

The difference

If there is one thing that we resolved from the first quarter onwards, then it was this: if we expected just one factor of our Company to pull us through the year, then this recovery would be short-lived. What was warranted was a broad-based response: this is precisely what Century Plyboards achieved during the last financial year.

I am delighted to communicate that in a number of previous years, the storyline of that performance would be usually built around selective developments. During the last financial year, virtually all segments pitched in, reinforcing my conviction that when the going gets tough, the tough indeed get going.

Performance: Manufacturing

The Company reported increasing capacity utilisation through the course of the year after the first quarter. Plywood manufacturing capacity utilisation (26% of our revenues) strengthened from 63% in the second quarter to 86% in the third quarter and 96% in the fourth quarter. This improved throughput was the result of the commitment of our manufacturing teams across seven locations to sweat our equipment, deliver a larger throughput and service a growing consumer appetite. Besides, this larger output provided our Company with a wider base across which to cover fixed costs, the basis of our increased profitability.

Performance: Research

The most courageous initiatives that Century Plyboards implemented during the year under review was its decision to launch a unique feature called Virokill as early as the second quarter of the financial year under review. This nanotechnology-driven feature (not a product) was embedded into our plywood and laminate products with the assurance of killing viruses on surfaces. When we launched this feature, we were cautioned by well-meaning industry observers that perhaps the market sentiment was premature. We trusted our judgement on the grounds that in a market where the biggest priority of our customer was safety, there could perhaps be no better juncture to enhance consumer well-being. The integration of Virokill into our product mix had a transformative impact; the speed with which the feature was accepted by consumers was among the quickest in years, endorsing the Company's capacity to seize the day.

Performance: Sales velocity

At Century Plyboards, there is a term gaining credence: sales velocity. Sales velocity is not about dumping products on trade partners coupled with financial incentives to get them to market more. Sales velocity is about creating a system by which the Company's feet-on-the-street follows a scientific route map, is empowered with technology tools and where their feedback can be collected and acted upon in minutes. The result: quicker response that translates enquiry into sales across thousands of places.

Performance: Cost management

At Century Plyboards, we recognised that in the usual preoccupation to maximise manufacturing and sales, there is always a possibility of increasing costs. Before 2020-21, the Company had embarked on a programme focused around the Theory of Constraints that translated into lower inventory. One of the learnings from the lockdown was that we needed to gravitate to lower fixed costs that would make it possible to remain liquid even during the worst end of the business cycle. The Company engaged a globally respected consultant to facilitate institutionalised cost moderation; the exercise commenced in December 2020; the green shoots of this initiative during the last quarter of 2020-21 indicate that sizable gains could emerge across the foreseeable future. Besides, the Company introduced a salary moderation programme as per employee seniority, coupled with the assurance of correcting the remuneration in the event of a superior performance. This communication transparency helped protect cash flows and enhanced employee determination to perform better.

Performance: Container freight service

The Company's CFS business continued to perform creditably despite the affected first quarter. The Kolkata Port reported a busy 2020-21; our business delivered more than 34% capacity utilisation. The CFS business is margins-accretive and profitable. During the year under review, our CFS business reported revenues of ₹82.33 Crore and EBITDA of ₹24.20 Crore; EBITDA margin in this business was 29.4% compared with 33.8% in 2019-20.

Taking the business ahead

At Century Plyboards, we are engaged in graduating our business to the next level. The Company is engaged in brownfield and greenfield capacity expansions – across its plyboards, laminates and MDF businesses.

On the one hand, we intend to expand our Hoshiarpur MDF facility by adding another line with a capacity of 400 cubic meters per day (67%) involving a capex of around ₹220 Crore, which should go on stream in the first quarter of 2022-23.

The Company is attractively placed to shrink the payback from this investment. Despite over ₹900 Crore in capital expenditure in the last six years, long-term debt on the Company's books was less than ₹52 Crore, corresponding to a total debt-equity ratio of 0.09 and long-term debt equity ratio of 0.02. The total long-term debt on the Company's books as on 31 March 2021 was ₹51.81 Crore; working capital debt was ₹72.72 Crore. The Company's interest servicing capacity improved substantially during the year under review: interest cover (EBITDA divided by interest outflow) climbed from 6.65 in 2019-20 to 25.17 in 2020-21, indicating that the Company was cash-rich.

We believe that by the virtue of financing the next expansion completely from our accruals (save for a bridge loan across a short tenure), we will have reduced the break-even point of that investment, generated a sizable surplus within a quicker tenure and made available this large corpus for the next round of investment - a virtuous cycle that we expect will only accelerate.

The sectorial upside

So where does Century Plyboards see itself at this moment within the context of its sector?

My answer is that we see ourselves in a hugely advantageous position for some good reasons.

Compared to developed and developing countries, the per capita consumption of plywood, MDF and other woodpanel products in India is about a twentieth of China.

A preference for readymade furniture over furniture fabricated on site is likely to sustain; the number of furniture manufacturing OEMs is rising more than 15 to 20% every year.

After nearly five or six years of a downtrend, the country's real estate markets are beginning to revive, marked by a post-inflation-adjusted decline in the cost of a home. As home-starts revive, the Company's sales will extend from maintenance spending to people doing up their homes for the first time.

The maintenance market revived during the last financial year following the work-from-home phenomenon. There was a sharp increase in enquiries from customers seeking to adapt their homes and accommodate a small workplace; this phenomenon alone kick-started the interior infrastructure market during the last financial year. This translated into a higher offtake of MDF, plywood and laminates, a trend that we expect will only accelerate.

There is an interesting development that we are seeing for the first ever time: the Indian consumer is getting less price-sensitive. What used to be a consistent need for '*Sasta sundar tikaoo*' is being gradually replaced by *'Kuch achcha ho to dikhaiyye!'* There is a greater traction for the value-added, aesthetic and quality-driven.

The 2021 Union Budget sustained the optimism about how India is expected to emerge as a market. The Budget was widely appreciated as the most daring in decades; the pro-consumption Budget could translate into a larger demand for homes once the pandemic wanes, widening our market.

Imports declined during the last financial year and came to a complete stop from China and Vietnam. Through the course of the year, the landed cost of imports was higher than prevailing realisations within the Indian market. Besides, shipping became more expensive; freight costs quadrupled and this trend is likely to sustain even as demand continues to grow.

Century positioned to capitalise

At Century Plyboards, we are attractively placed to capitalise on the projected upturn in the economy and sector.

The Company is the undisputed leader in India's interior infrastructure sector. The Company possesses a range of products from plywood to laminates to MDF to particle boards, providing a one-stop solution.

The Company provides a product for every pocket – in the plywood segment, its Sainik addresses the entry point for someone building a home for the first time, while Club Prime represents the apex of the pyramid. The strategy is to take Sainik to the 100,000-population towns across India, a gateway for Century to enter the smallest of markets and build a multi-decade pipeline.

The Company is nimbler, has net cash on its books and enjoys margins higher than the industry average.

The Company's 'Raho befikar' brand has matured to a point where it is generating a stronger traction than competing labels.

Even as there are a number of acquisition opportunities of unorganised companies, the Company's priority will be in augmenting its installed capacity at the lowest capex.

The big picture is that Century Plyboards expects to grow revenues 20% compounded across the next three years around existing margins, strengthening its capacity to enhance value for its stakeholders.

KESHAV BHAJANKA,
Executive Director

AFTER NEARLY FIVE OR SIX YEARS OF A DOWNTREND, THE COUNTRY'S REAL ESTATE MARKETS ARE BEGINNING TO REVIVE, MARKED BY A POST-INFLATION-ADJUSTED DECLINE IN THE COST OF A HOME.

CENTURY'S DIRECTION, PERFORMANCE AND THE ROAD AHEAD

NEW CENTURY

Key strategy

- Strengthen the Balance Sheet; enhance liquidity and viability
- Reduce dependence on plywood; broadbase the overall products portfolio
- Penetrate physical markets deeper; plug white spaces
- Accelerate sales velocity all across India
- Moderate costs across the board; question every practice and process
- Accelerate disruptive product launches
- Empower customers to buy conveniently - whenever and wherever

Performance in 2020-21	Outlook
▪ Repaid ₹31.82 Crore of term loans ▪ Surrendered ₹70 Crore of working capital limits with banks ▪ Cash, bank and liquid funds of ₹186.01 Crore (31 March 2021)	▪ Shrink the working capital cycle ▪ Strengthen inventory management ▪ Allocate surplus to capacity expansion
▪ Non-plywood business revenues decreased 5.5% ▪ Contribution increased from 46% to 47% of revenues ▪ Launched value-added laminates and MDF products	Strengthen non-plywood revenues (proposed greenfield MDF plant in South India) and other non-plywood capacity expansion
▪ Added dealers and distributors ▪ Entered locations with lower population presence	Increase the Company's penetration in Tier II and III cities and towns
▪ Introduced Sales Force Automation ▪ Encouraged sales team to grow demand	Focus deeper on sales force automation as a game-changer
▪ Engaged an international consultant to review practices ▪ Focused on Theory of Constraints	Deeper engagement with the consultant to strengthen cost leadership
▪ Launch products around unmet consumer needs ▪ Promote and position the products and features as future-facing	Deepen the institutionalised culture of research and development leading to the accelerated launch of disruptive products
▪ Wider presence on e-commerce portals and marketplaces ▪ Entered into an association with Flipkart ▪ Made plywood e-shopping hassle-free	To widen and deepen the Company's presence on e-commerce marketplaces, enhancing convenience of display, access, purchase and delivery

IF YOU THINK THAT NEW CENTURYPLY IS ABOUT A REBOUND IN REVENUES AND PROFITS, THEN YOU MIGHT HAVE MISSED THE POINT.

NEW CENTURY IS ABOUT THE HUNDREDS OF INITIATIVES WE UNDERTOOK IN THE LAST FEW YEARS AND IN 2020-21... TO REINVENT OUR PERSONALITY

Josey (Sales force officer) in Kochi logs into the Century app on his smartphone the words 'Met six clients. Five want to buy plywood. Contact immediately.'

Mitash (Branding and marketing) is engaged in putting the finishing touches to a digital campaign likely to be launched on YouTube in a few days

Vasanthi (Research and Development) makes experiments that validate the impact of silver nano-technology on virus elimination across laminate surfaces

Mainak (Information technology) is engaged in creating a collaboration communication and knowledge sharing platform designed to enhance organisational efficiency

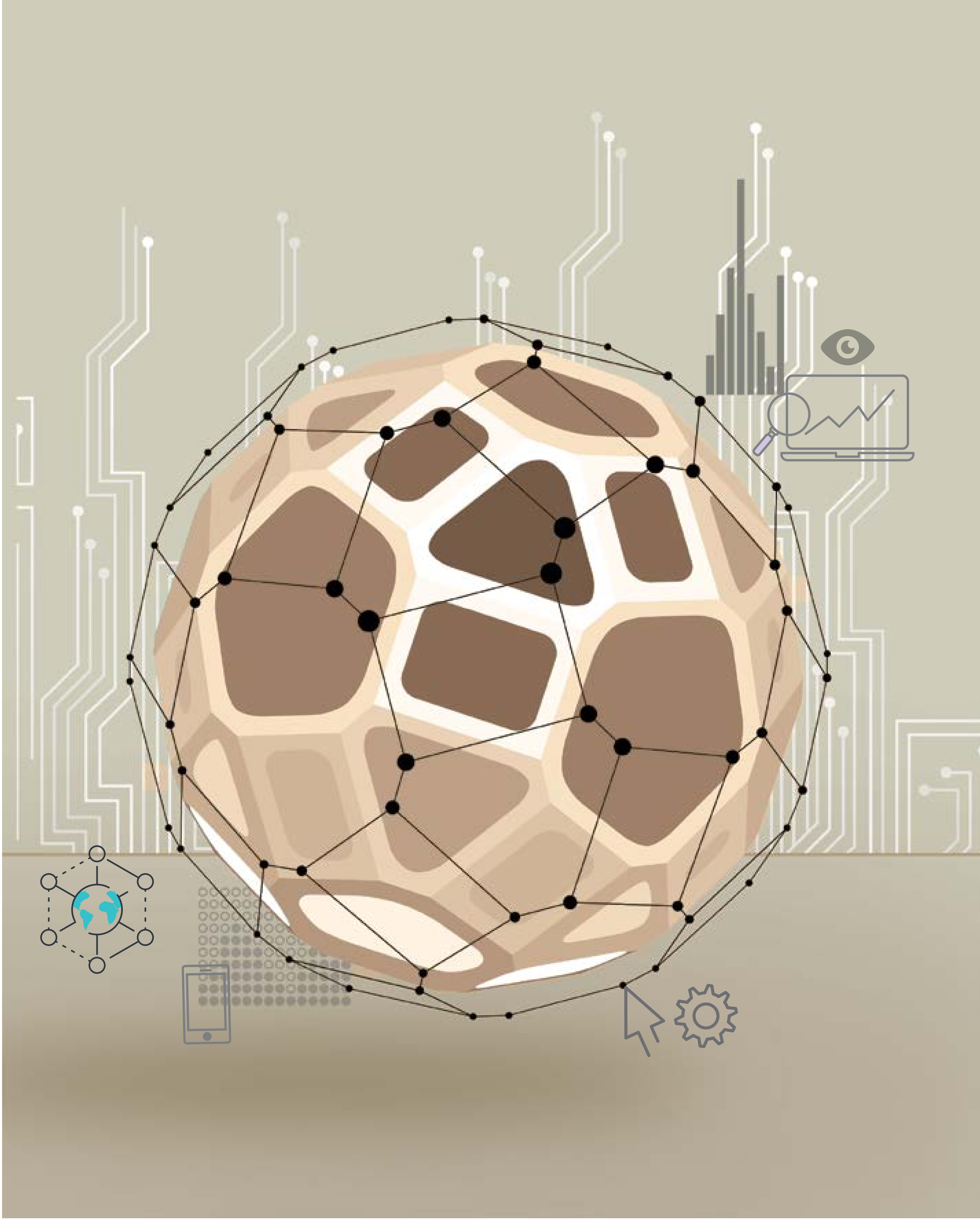
Arun (Finance) is engaged in drawing out plans for a proposed expansion – without the use of debt

Jayant (Projects) outlines a week-by-week schedule of how the Company's proposed greenfield unit can be commissioned in 18 months.

Ramesh (Factory employee) swipes the rooftop solar panel clean across one of Century's manufacturing locations, protecting the Company's access to renewable energy

Anjum (consumer) puts her smart phone against a QR Code to check if the Centuryply dealer is selling her genuine plywood

Rama (financial analyst) is writing a research report on the long-term prospects of Centuryply for institutional and retail investors



AT NEW CENTURY, THERE IS JUST ONE THING KEEPING US TOILING INTO THE NIGHT.

THE MARKET FOR INTERIOR INFRASTRUCTURE PRODUCTS IN CHINA IS ABOUT 20 TIMES LARGER THAN INDIA.

As the Indian market progresses with speed towards the China reality, there is one interior infrastructure company best equipped to address the sharp growth likely to emerge.

Century Plyboards (India) Limited.

Possesses a complement of realities that take decades to create.

Largest market share.

Growing brand.

No net-debt on the books.

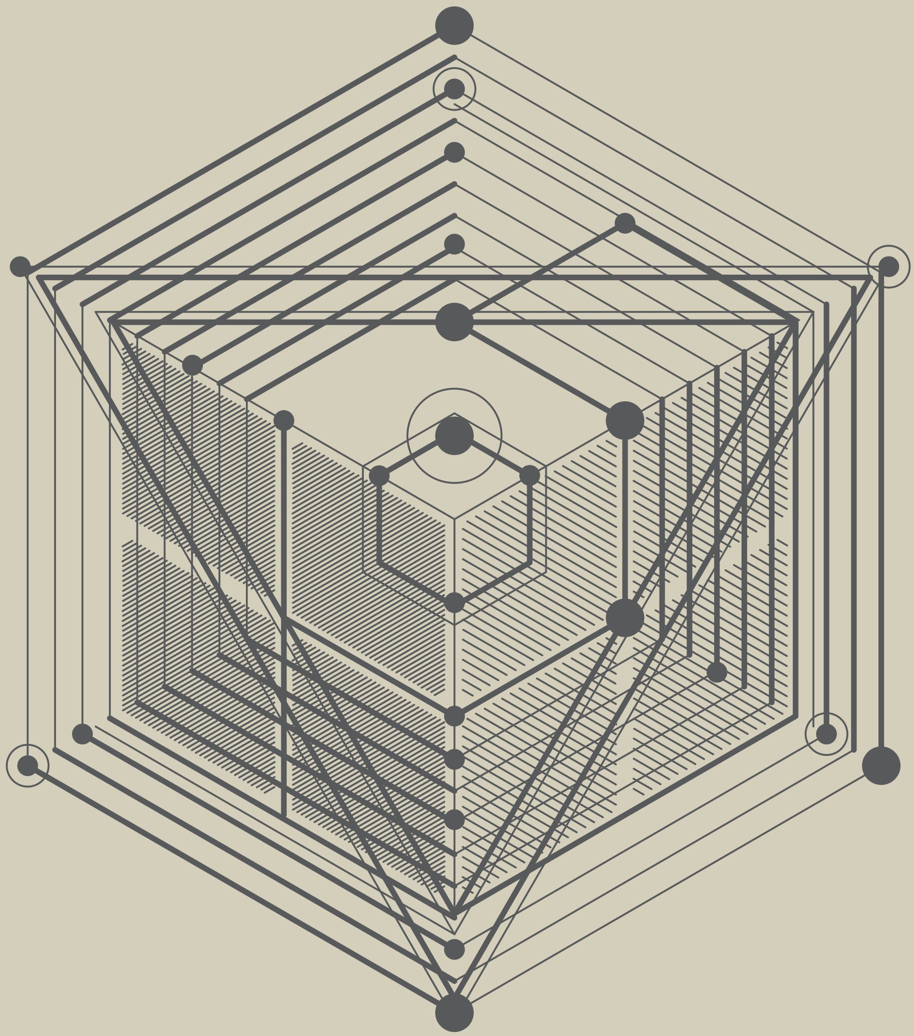
Widest products range across price points.

Digitalised.

Now moving nimbler.

PART

3



VALUE CREATION

HOW CENTURYPLY HAS ENHANCED SHAREHOLDER VALUE

Overview into our value-accretive business model

India is correcting a long-term investment imbalance between its growing population and the number of homes.

As the gap narrows, we see opportunities emerging from two areas: one, from the new homes being built, and two, from the vast renovation potential.

Centuryply has created a validated value-accretive model: profitable business coupled with projected growth.

The Company's business model is marked by controlled growth; attractive scale-up has been complemented by high margins and broad-based multi-product revenues (even as revenues from plywood are higher than the others).

How we enhanced shareholder value in the last few years

Centuryply transformed from a single-product company to a multi-product organisation

The Company has emerged as a one-stop shop for interior infrastructure products

The non-plywood interior infrastructure segments accounted for 47% revenues in 2020-21

Century graduated from an Eastern India-based company to a pan-Indian identity

The Company has seven manufacturing units across India

The Company exports to more than 15 countries

Eastern India now accounts for only a modest part of the Company's revenues

Century moved from legacy manufacturing technologies to automation

The Company invested in high productivity machines and auto core compressors

The Company invested in sales force automation and supply chain digitalisation

Operational cost as proportion of total revenue was 87.1% in 2020-21 (89.2% in 2019-20)

HOW OUR VALUATION PROGRESSIVELY STRENGTHENED

Capital appreciation

4628
₹ Crore, market capitalisation, 31 March 2019

2,465
₹ Crore, market capitalisation, 31 March 2020

7,071
₹ Crore, market capitalisation, 31 March 2021

Responsibility

- Deep ESG compliant business model
- Extensively de-risked approach; established credibility
- Low promoter remuneration as % of revenues despite a high stake
- Increasing proportion of power appetite addressed renewable energy

Sustainability

- Addressing a critical national interiors requirement
- Investment in business platforms for sustainable scalability
- Long-term relationships with eco-system
- Attractive credit rating

Group pedigree

- Leveraging business competence of the Century Group
- Business presence also in cement and ferro alloys
- Validated competence in business management
- Stability a driver in banking relationships and talent attraction

Singular focus

- Company focused on interior infrastructure sector
- Wide portfolio – plywood, particle board, MDF, laminates and PVC
- Focus resulting in capital allocation discipline

Largest manufacturing capacity in the sector

Financial discipline

- Repaid ₹220.55 Crore of debt in five years ending 2020-21
- Net debt-free company as on 31 March 2021
- All capex to be funded out of accruals
- Debt-equity ratio of 0.09 as on 31 March 2021

Disruptive product launches

- Track record for clutter-breaking product launches
- Launches driven by a dedicated R&D team
- Launches driven around ‘Raho befikar’ tag line for consumers
- Brand translating into superior realisations and margins

Manufacturing discipline

- Ten plants across India; extensively depreciated
- Asset turnover in excess of 3 times for 2020-21
- Dispersed plants addressing regional needs
- Updated technologies; low conversion costs

Brand vitality

- Century brand among the most respected in India
- Recall driven around ‘Raho befikar’
- Recall reinforced by consistent brand spending
- Brand spending at around 4% of revenues

HOW WE GENERATED SUPERIOR FINANCIAL HYGIENE

EBITDA

290
₹ Crore, Earnings before interest. tax and depreciation-amortisation, 2015-16

334.25
₹ Crore, Earnings before interest. tax and depreciation-amortisation, 2020-21

2.88 CAGR %, five years ending 2020-21

EBITDA margin

17.70
%, 2015-16

15.82
%, 2020-21

(188) bps growth, five years ending 2020-21

Gearing

0.86
Debt-equity ratio, 2015-16

0.09
Debt-equity ratio, 2020-21

0.77 bps decline, five years ending 2020-21

RoCE

26.30
% Return on Capital Employed, 2015-16

20.00
% Return on Capital Employed, 2020-21

630 bps decrease, five years ending 2020-21

5 WAYS WE INTEND TO ENHANCE SHAREHOLDER VALUE

Marketplace reality: Commodity inflation; pressure on margins

Our response: Moderate costs

Initiatives

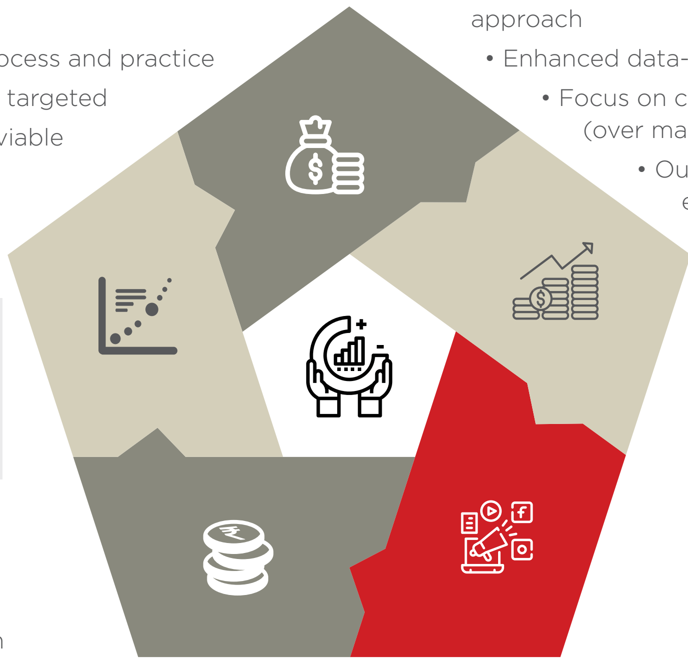
- Engaged a global consultant of repute
- Engagement commenced in December 2020
- Questioned every process and practice
- Large cost reduction targeted
- Focus on remaining viable across market cycles

Marketplace reality: Increased discounts-driven sales push

Our response: Enhanced sales velocity

Initiatives

- Investment in Sales Force Automation
- Digitalised and centrally Cloud-stored approach
- Enhanced data-driven approach
- Focus on creating new markets (over maintenance selling)
- Outperformance evident in 2020-21



Marketplace reality: Competitive marketplace

Our response: Stabilise EBITDA

Initiatives

- Broadbase manufacturing foundation
- Seek margins growth from within
- Increase offtake of value-added products
- Leverage economies of scale (brand, assets, portfolio)

Marketplace reality: Brand clutter; low memory recall

Our response: Leveraging digital media

Initiatives

- Promote on social and digital media
- Enhanced promotional energy
- Increased cost-effectiveness
- Greater client profile and promotional focus
- Enhanced organisational visibility

Marketplace reality: Premium on small Balance Sheets

Our response: Investment out of accruals

Initiatives

- Company net debt-free
- Critical mass of free cash flows
- Henceforth all investments to be out of accruals
- Accrual investments to drive profitable growth
- Investment in a new plant out of net worth

OUR STAKEHOLDER VALUE-CREATION REPORT, 2020-21

HOW WE ENHANCED VALUE IN AN INTEGRATED, INCLUSIVE AND SUSTAINABLE WAY FOR ALL OUR STAKEHOLDERS

Overview

There is a growing importance of the Integrated Value-Creation Report as a communication discipline.

This Integrated Value-Creation Report overcomes the shortcomings of the conventional communication approach through a comprehensive reporting framework that blends 'hard' and 'soft' initiatives into an integrated format.

Integrated Reporting combines reporting strands (financial, management commentary, governance and remuneration, and sustainability reporting) into a whole that explains an organisation's holistic ability to enhance value. This new measure overcomes the limitations of the conventional approach with a more comprehensive framework that captures a wider set of initiatives and addresses a larger family of stakeholders.

The purpose of Integrated Reporting is to explain to providers of financial capital how an organisation enhances value over time. The impact of the integrated report extends beyond financial stakeholders; it enhances understanding across all stakeholders - employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers - focused on an organisation's ability to enhance value across time.

Integrated Reporting highlights how green and ethical values drive long-term growth. This shift from the 'hard' to 'soft' (non-financial data) helps appraise a company comprehensively, addressing the needs of the investor fraternity/government agencies.

Century's desired outcomes

- Superior margins and RoCE
- Larger investable resources from within
- Stronger credit rating
- Enhanced organisational valuation

How Centuryply's stakeholders help enhance value

At Centuryply, we believe that the interplay of value for our various stakeholders has translated into business sustainability.

Our employees represent aggregate knowledge of how to grow the business across a range of functions (procurement, manufacturing, marketing, technology, innovation, finance etc.). Our focus is to provide an exciting workplace, generate stable employment and enhance productivity

Our shareholders provided capital when we went into business. Our focus is to generate free cash, growing RoCE and, in doing so, enhance the value of their holdings.

Our suppliers provide credible and a continuously supply of resources. Our focus is to maximise quality procurement at declining average costs with the objective to widen our markets, strengthening sustainability.

Our customers keep us in business through a consistent purchase of products, generating the financial resources to sustain operations. Our focus is to sell to a larger number of customers around our preferred price points.

Our communities provide social capital. Our focus is to support and grow communities through consistent engagement.

Our governments (in the areas of our presence) provide a stable structural framework that ensures law, order, policies etc. Our focus is to play the role of a responsible citizen through the timely payment of taxes.

At Centuryply, we believe that the prudent interplay of the value generated by each and our consistent payback ensures business sustainability and enhanced organisational value.

The resources of value-creation

Financial capital

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

Manufactured capital

Our assets, technologies and equipment for service delivery constitute our manufactured capital.

Human capital

Our management and employees form a part of our workforce, their experience and competence enhancing value.

Intellectual capital

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

Natural capital

We depend on nature and have a moderate impact on the natural environment.

Social and relationship capital:

We enjoy enduring relationships with communities and business partners, including vendors, suppliers and customers, all play a key role in ensuring our social license to operate and make us a responsible corporate citizen.

OUR STRATEGY

	Strategic focus	Vendor focus	Shareholder focus	Customer focus	Employee focus	Community focus	Government focus
Key enablers		**Centuryply** has generated a growing appetite for resources and services, a robust platform for vendors with a long-term focus The Company works with a range of resource providers The Company provides them with stability of engagement in return for superior procurement economies	**Centuryply** emphasises governance, operational excellence, cost leadership and information transparency The Company is focused on sustainable growth around steady margins The Company has been paying a dividend every year for 11 years The Company possessed ₹186 Crore of free cash, bank and liquid funds at the close of 2020-21	**Centuryply** remains a trusted interior infrastructure product provider across various price points The Company has a strong dealer network for plywood and laminates and strong OEM presence for MDF and particle boards	**Centuryply** is an employer of 6365 people The Company provides an energising environment free of discrimination The Company imparts training to employees and superior career growth	**Centuryply** is a responsible corporate citizen The Company invested in renewable energy, sewage treatment and recycling	**Centuryply** pays taxes, generates local employment, complies with statutes and enriches communities where it is present
Material issues / addressed		Superior use of cut-ting-edge technologies leading to product dif-ferentiation	Creating the basis of long-term viability through a superior price-value proposition	Enhancing revenue visibility through customer loyalty and delight	Creating a professional culture seeking overarching excellence in everything the Company does	Ensuring that prosperity extends from the Company to communities	Enhancing the Company's respect as a responsible corporate citizen

OUR VALUE-CREATION IN NUMBERS

Employee value

Salaries and wages (₹ Crore)

2020-21	318.27
2019-20	344.13
2018-19	327.70
2017-18	283.93

The Company has invested adequately in employee remuneration; this trend must be appraised with employee productivity

Employee productivity

Revenue / person (₹ Lac)

2020-21	33.20
2019-20	34.05
2018-19	32.75
2017-18	27.65

The Company's investment in its people (training, empowerment and career growth) translated into increased productivity

Customer value

Revenues (₹ Crore)

2020-21	2113.48
2019-20	2282.68
2018-19	2263.83
2017-18	2002.04

The Company increased revenues (except for a pandemic-affected 2020-21), an index of the value created for customers

Vendor value

Procurement (₹ Crore)

2020-21	1033.46
2019-20	1099.88
2018-19	1236.78
2017-18	1053.59

The Company procured a large quantum of resources through the years, strengthening procurement economies

Shareholder value

Market capitalisation (₹ Crore)

2020-21	7071
2019-20	2465
2018-19	4628
2017-18	7256

The Company has been valued differently through the years even as its business model remains robust

Free cash (₹ Crore)

2020-21	186.01
2019-20	21.22
2018-19	22.61
2017-18	16.51

The Company generated a substantial increase in free cash during the year under review

Community

CSR investment (₹ Crore)

2020-21	5.28
2019-20	4.45
2018-19	4.13
2017-18	4.30

The Company has enriched communities through a number of initiatives.

Government

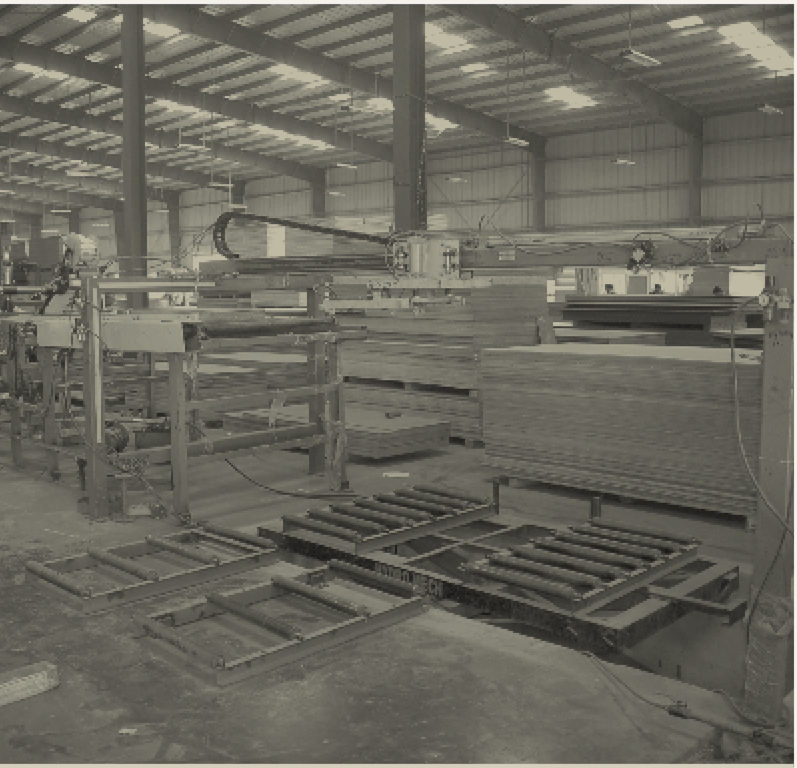
Tax Expenses (₹ Crore)

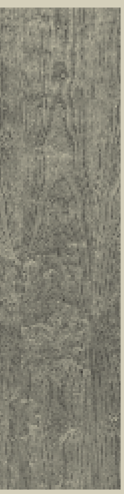
2020-21	68.76
2019-20	52.21
2018-19	53.10
2017-18	42.37

The Company reinvested in society through prompt tax payments and other statutory dues.

COMPETITIVE ADVANTAGE

Our Brands Report, 2020-21





OUR BRAND SPENDING (₹ CRORE)

56.42	2017-18
74.88	2018-19
88.48	2019-20
82.09	2020-21

Overview

The word ‘Century’, when applied in the context of India’s interior infrastructure sector, is not just a reference to the name of a company; it represents a trustmark.

Across the decades, the Century brand has played the role of a catalyst in growing and evolving its sector through game-changing initiatives that have become sectorial standards. The result: Century has transformed from just another player into an industry benchmark.

Century’s prominent contributions to India’s interior infrastructure sector have comprised the following:

- The advantages of dealing with an organised brand over the unorganised sector
- The transformation of a conventional product push (driven by price discounting) to a consumer pull (marked by innovation, value-addition and quality assurance)
- The ability to reinforce the ‘Raho befikar’ recall across every aspect of the Company’s personality

Q&A

REVIEW OF THE PERFORMANCE OF CENTURY'S BRANDS, 2020-21

"THE CENTURY BRAND HAS EXTENDED FROM BRAND EXISTENCE TO BRAND LOVE"

Q: How did the company's brands perform during the year under review?

A: The year under review was possibly the best-ever reported by the company's brands. The company's brands grew attractively during the year under review. This growth was achieved despite an evident stress during the challenging first quarter of 2020-21 when manufacturing operations were shut, when it was difficult to reach products to trade partners, when stores were locked down and the usual consumer sentiment was to defer purchases. The company reported a modest decline in revenues but a sharp increase in profits, indicating enhanced revenue profitability. This endorses the fact that Century's brands strengthened during the year under review.

Q: What was the principal driver of Century's success?

A: The principal driver of the company's performance was that it continued to deepen its recall of 'Trust', reflected in the line that has now become a culture at CenturyPly: 'Raho befikar' (Stay worry-free). This is not just another tag line; it is a philosophy lived cross the company's functions, assuring not just the customer of a superior engagement experience, but virtually every single stakeholder of fairness and transparency. The result is that when anyone engages with the company – consumer, vendor, employee, community or trade partner – the first sentiment is that he or she need not worry. The maturing of this recall translated into superior numbers in 2020-21.

Q: What initiatives did the company take that reinforced this recall?

A: Centuryply made two important launches – one during the course of the year and one in a post-Balance Sheet date development. The first launch was Virokill, a nano-technology-induced treatment on plywood and laminates that promised to kill viruses. We did not use the word 'neutralise' or 'deactivate'; we used the word 'kill'. The success of our pitch reflected in the fact that because this launch was coming from the House of Centuryply, it was taken with credibility. This represented a powerful extension of the 'Raho befikar' assurance, communicating that at a time of global health vulnerability, Centuryply's research-led product would protect consumers. The maturing of the *'Raho befikar'* promise translated into an unprecedented speed in Centuryply's products offtake during the year under review.

Q: What was the other launch that reinforced this 'Raho befikar' assurance?

A: Following the end of 2020-21, the company launched a clutter-cutting product called Firewall. To explain how we deepened its recall, one will need to explain how Firewall was different. It has been generally observed that wood is flammable, catalyses the spread of fire, loses its structure during a fire and falls on the next piece, accelerates the spread of fire and generates toxic smoke. The result is that in the event of fire, one gets no time to react and room potentially becomes a death chamber.

THE COMPANY REPORTED A MODEST DECLINE IN REVENUES BUT A SHARP INCREASE IN PROFITS, INDICATING ENHANCED REVENUE PROFITABILITY. THIS ENDORSES THE FACT THAT CENTURY'S BRANDS STRENGTHENED...

THE MATURING OF THE 'RAHO BEFIKAR' PROMISE TRANSLATED INTO AN UNPRECEDENTED SPEED IN CENTURYPLY'S PRODUCTS OFFTAKE...

Let us come to how Firewall is different. This unique product from the house of Centuryply delays the spread of fire and minimises toxic gas emission, giving residents crucial time to think, save themselves, collect valuables and escape. Centuryply's Firewall Technology does not crumble fast, retards the action of serving as a medium of fire transmission and minimises smoke generation. If the source of fire is removed, it could self-extinguish. These attributes were validated by UK, US and Indian safety standards, reinforcing the company's 'Raho befikar' commitment.

Q: How else do Century's brands protect consumer interests?

A: The challenge of counterfeits is rampant in India's interior infrastructure sector. There is an entire network that replicates the logo mark on products and sells them as that of Centuryply, the leader in the sector. A few years ago, the company responded with a QR code, the only company to apply this across every single sheet of plywood and laminate. All that a prospective consumer now needs to do is scan the QR code with the smartphone using an app named CenturyPromise; immediately, the download will indicate when and which factory that sheet was manufactured in, assuring consumers of product integrity and assurance when they buy from Centuryply. In a business where the purchase is considered, information-based and not impulsive, this initiative took the 'Raho befikar' assurance a level higher. It sent out a message: 'When you buy from Centuryply, you don't need to worry.'

Q: What else contributed to brand traction?

A: In the last few years, Centuryply has become an even more consumer-facing brand. The image of a company, traditionally engaged in production and selling a super quality product. has now got a nimbler digital makeover that is making it possible to buy Centuryply's products whenever and wherever. The result of this digital approach is that a prospective customer can buy directly from our website or any digital marketplace or only needs to engage with us through a social platform or digital advertisement with no more than a 'Know more' message and our team swings into action to address that enquiry. What is important is that this entire engagement is system-driven: there is no loss in translation or transmission; the enquiry is captured within the system and the system elevates it to the right level.

Besides, in the post-pandemic world where the importance of a home has increased, there is a premium on the need for residential renovation. Concurrently, there has been an increase in the 'Amazon effect', whereby more products are purchased online. At Centuryply, we believe that a large demand will come out of non-metro locations where homes are larger, warranting a larger investment in interior infrastructure. For these nationally dispersed consumers, Centuryply's digital presence (app, presence on e-marketplaces and e-commerce platform) will increasingly provide a one-point convenience: buy directly or leave a whatsapp or a message or click a button and someone from Centuryply will address that within minutes. This is how business will be increasingly done and Century is already there.

What I have described is the functional side of the digital impact. There is the psychological aspect of digitalisation as well: the company's stakeholders perceive the company to be getting chronologically older but temperamentally younger; there has been a further sharpening of focus on a B2C front where most engagements are direct with the company (without intermediaries); one can escalate issues to the promoter and this empowers the consumer to buy what she finds most convenient. The result is that more consumers are buying into this responsiveness even before the transaction, making a larger number of sales happen not just because the product is superior, but because of the way we have selected to engage with consumers.

Q: How else has digitalisation helped the company engage better with consumers?

A: Digitalisation has helped transform the company's communication with consumers. There has been a consistent increase in spending on enhancing the company's presence on electronic and social media because that is where most consumers of the day spend their time. We believe that digital promotion has enhanced the company's competitiveness: the effectiveness of the spending can be measured, the stepwise spending makes it faster to course-correct, one can target one's pitch for a specific audience better (no transmission loss) and there is clearly a bigger bang for the invested buck. Around five years ago, digital promotion accounted for almost nothing of the company's promotional spending; today that proportion has increased to a double-digit percentage of the overall spending.

What is important here is not just the quantum of brand spending; it is the quality of communication that has made a big difference. The company's digital campaign of Century Heroes that was launched in 2018 onwards continues to receive an overwhelming response and was selected among 50 successful digital campaigns of the year from a consumer impact perspective.

Q: How else is digitalisation transforming the company?

A: There is yet another aspect of the digitalisation: the intervention is not just addressing consumers. It is addressing all stakeholders. Whoever engages with Centuryply is not just assured of a product around the 'Raho befikar' assurance; the person is assured of an entirely different experience. If it is the employee, then the system moves with speed and transparency; if it is the trade partner, then the distance between the company and trade partners has dissolved, whereby most of our trade partners believe 'I am Century.' The company's DNA has been rewritten; the Century brand has extended from brand awareness to brand love.

Strengthening our Century brand

- Product launches accelerating
- Products moving faster
- Accelerating consumer-facing brand attribute
- Brands woven around the 'Raho befikar' assurance
- Nimbler, digitalised and systems-driven
- Emergence of brand love (beyond awareness)

Products	Century Ply: Club Prime	Century Laminate	Century Door
Launch year	1995	2004	2013
Brand Ambassdor	No ambassador as products have been positioned heroes. We do however use a popular personality-based communication strategy		
Strategy	High end. Feature loaded	High end. Feature loaded	High end. Feature loaded

DIGITALISATION HAS HELPED TRANSFORM THE COMPANY'S COMMUNICATION WITH CONSUMERS. THERE HAS BEEN A CONSISTENT INCREASE IN SPENDING ON ENHANCING THE COMPANY'S PRESENCE ON ELECTRONIC AND SOCIAL MEDIA BECAUSE THAT IS WHERE MOST CONSUMERS OF THE DAY SPEND THEIR TIME.

THE SUPERIOR CENTURY BRAND RECALL

WHY CENTURY IS THE LEADER IN INDIA'S INTERIOR INFRASTRUCTURE SECTOR BY A LONG MARGIN

Scale

Centuryply offers one of the largest interior infrastructure portfolios in India - plywood, laminates, face veneer, MDF, particle boards, pre-engineered doors, fibre cement boards and PVC sheets, among others.

More than eight product segments.

Share

Centuryply is among the largest players in India's plywood sector. The Company's market share is among the highest in India's organised plywood sector.

₹22,250 Crore Indian plywood industry. More than 25% market share for Centuryply.

Widest

Centuryply offers one of the widest choices within its brand portfolio. The company empowers consumers to graduate purchases to the next level (features) with modest increases in budget – a 'choice journey'

Available in more than 18,000 SKUs.

Democratic

Centuryply has something for every pocket – from Sainik plywood at the entry level to Club Prime.

Sainik accounted for 29% of revenues in 2020-21

Leanest

One of the leanest Balance Sheets in India's infrastructure sector; likely to sustain the business across market cycles.

₹186 Crore cash, bank and liquid funds (31 March 2021)

Deepest

Centuryply makes it convenient for consumers to buy proximate to where they are. The company is present in 28 states, seven Union Territories and 462 districts.

The trade network comprises more than 2,200 dealers and 18,500 retailers, one of the largest networks within its industry.

Lowest

Cost austerity helped the company emerge as one of most competitive players in India's interior infrastructure sector.

EBIT margin in excess of 11% in six consecutive years.

Cleanest

The Company's proactive investment in responsible manufacture helped it emerge as one of the cleanest and 'greenest' plywood manufacturers in India.

6 MW captive rooftop solar power plant. Annual CO2 savings of 4,807 MT

Safest

Protective industrial safeguards resulted in one of the safest facilities in the sector for the benefit of employees and community.

Decline in reported incidents in the three years ending 2020-21

CENTURY'S BRANDS AT WORK...

Helped make the receivables cycle range-bound

47
Days of receivables cycle, 2018-19

51
Days of receivables cycle, 2020-21

Helped the company enhance margins

13.50
% EBITDA margin, 2018-19

15.82
% EBITDA margin, 2020-21

Helped the company maintain inventory turns

57
Inventory turns, 2019-20

57
Inventory turns, 2020-21

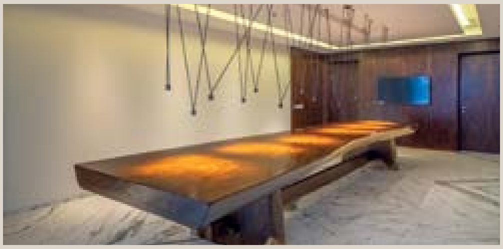
THE COURAGE OF CENTURYPLY

VIROKILL
Kills 99.99% Viruses

Launched the Virokill feature across its plywood and laminate varieties when the rest of the sector was preferring to wait and watch

Demonstrated the courage to create new price points in India's interior infrastructure

Introduced brands that extended into a brand family and portfolio (comprising relevant brand extensions and spinoffs).



Invested in pioneering products based on the conviction that supply creates/ increases demand.

Provides choice across 18,000+ SKUs, among the largest in India's interior infrastructure sector instead.

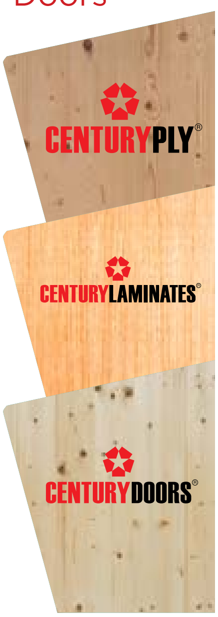
THE CENTURY VALUE CHAIN

Mid-market brands

Sainik

Premium brands

CenturyPly
Century Laminates
Century Doors



OUR BRAND STETHOSCOPE

Sizable brand building power

211
₹ Cr., Century's brand investment in the five years ending 2014-15

440
₹ Cr., Century's brand investment in the six years ending 2020-21

Structured brand spending

2.6
% of revenues invested in the Century brand, 2013-14

3.9
% of revenues invested in the Century brand, 2019-20

3.9
% of revenues invested in the Century brand, 2020-21

The outcomes of our brand focus

2018-19
Among the Top 50 impactful digital campaigns

2020-21
Recognised by Drivers of Digital

Our brand building track record

2018: Utilised the services of Kharaj Mukherjee for Century Heroes digital film, highlighting the importance of beautiful workmanship and the strength of carpenters' character in our business

2019: Utilised the services of actor Rudranil Sengupta for Century Heroes; made a product film directed by Prasun Pandey

2020: Utilised the services of actor Parambrata Chatterjee to act in a relevant role for the Virokill advertisement; entered the Flipkart and Amazon marketplaces to digitally market products

2021: Introduced the Firewall technology with the tag CenturyPly Aag se Bachaye and launched CenturyPromise, an app to validate genuine Centuryply products

CENTURY'S POWER BRANDS

Segment	Brand	Application	Centuryply utility	Substitution
Laminates	▪ LookBook ▪ Starline ▪ Monocore	Decorate and protect furniture and surfaces	▪ 7 years warranty (LookBook & Monocore) ▪ Color Fastness ▪ Carpenter Friendly ▪ Latest International Range ▪ Greenguard Certification ▪ Certified by Indian Green Building Council (IGBC) ▪ Uniform thickness and proper back standing ▪ ISO 9001:2015 certified ▪ ISO 14001:2015 certified ▪ Virokill (Anti-Viral, Anti-fungal and Anti-Bacterial)	Laminates substitutes high cost exotic wood panels and stones.
Veneer	▪ NatzuraWoods ▪ SenzuraStyles	Decorate and protect furniture and surfaces	▪ 7 years warranty (Gurjan Base) ▪ Pre-Sanded Material ▪ Virokill (Anti-Viral, Anti-fungal and Anti-Bacterial) ▪ Latest International Trends sourced from around the world ▪ Certified by Indian Green Building Council (IGBC) ▪ Borer and Termite Resistant Material (Gurjan Base) ▪ Boiling Water Resistant (Gurjan Base) ▪ ISO 9001:2015 certified ▪ ISO 14001:2015 certified	Low cost plywood

PART

4

THE ENABLERS

CENTURY AND HOW IT HAS STRENGTHENED ITS ESG FRAMEWORK

ESG and value-creation at Century

- Attractive revenue growth
- Lower cost structure
- Enhanced brand vitality
- Digitalisation
- Asset optimisation

Overview

There is a priority for companies to conduct themselves like responsible corporate citizens. This is the result of unprecedented developments abruptly transforming global economic realities. At Centuryply, we believe that a robust environment-social-governance culture enhances stability, increases resistance to market cycles and catalyses long-term stakeholder value.

A 2015 metastudy of more than 200 sources by Oxford University and Arabesque Partners noted that '80% of the reviewed studies demonstrate that prudent sustainability practices have a positive influence on investment performance.' Besides, investors are incorporating ESG into investment decisions at unprecedented levels — 97% of global investors did so in 2018, compared to 78% in 2017 (Source: EY).

Century and ESG

At Century, an environment-social-governance (ESG) ethos represents our personality. This commitment is emphasised by the nature of our business – wood peeling and manufacture of wood-based products - that consume finite resources and generate effluents that could be harmful to the eco-system if left untreated. This makes ESG integral to our existence.

Our environment component ensures that we consume environmentally responsible resources, optimise the use of finite fossil fuels and resources, recycle waste, moderate our carbon footprint and build a resistance to climate change.

Our social component addresses a proactive investment in talent, relationships (customer and vendors) and social responsibility.

Our governance component articulates how we will do business, indicating strategic clarity, conduct codes, Board composition, alignment with UNGC principles and extensive de-risking, among others.

This comprehensive platform – environment, social and governance – makes it possible to generate long-term growth across market cycles, enhancing value for all stakeholders.

Environment responsibility

There is a correlation between reputational, financial and environmental benefits. Besides, stringent environmental norms and regulating agencies are helping reduce resource depletion, water scarcity, pollution and harmful impacts.

At Century, we are committed to the manufacture of products through economically sound processes that moderate the consumption of energy and natural resources while reducing negative environmental impact, in addition to enhancing employee, community and product safety.

The Company is aligned with United Nations' 10 principles for manufacturing responsibility and environmental sustainability covering Human Rights, Labour interests, Environment responsibility and Anti-Corruption initiatives.

ESG and investments

At Century, we strengthened our ESG commitment through investments in technologies sourced from the best Indian and global vendors. The selection of these technologies was based on their safety, stability and overall price-value proposition.

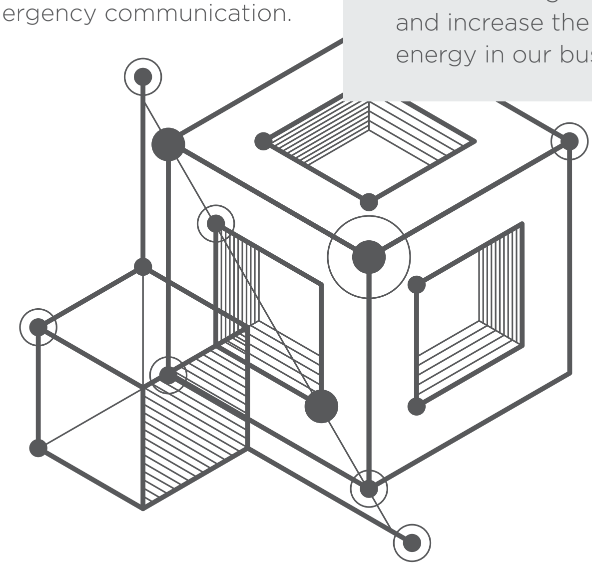
Besides, the company invested in detailed workflow documentation, created a standard operating protocol, made a detailed documentation of probable downsides and enhanced relevant training.

The company invested in automated technologies and digitalised approaches, which increased the manufacturing proportion of first-time right products. Besides, these investments resulted in process integrity, lower wastage and a lower deviation from the quality mean.

The company provided personal protective equipment to employees, enhancing workplace safety. It conducted a periodic medical examination for all employees. It invested in a closed user group mobile network for immediate emergency communication.

The 5R's at Century

At Century, we pride on our environment responsibility, comprising a commitment to grow our business while moderating our carbon footprint. This environment responsibility has been reinforced through the various R's comprising reduction, recycling, restoration, replacement and renewables. Through the interplay of these 5 R's, the company is committed to moderate the proportion of materials used to produce a unit of the end product (better input-output ratio), recycle excess material coming out of the system, restore the green environment, replace materials used with cleaner and 'greener' equivalents and increase the use of renewable energy in our business.



Social responsibility

At Centuryply, our competitiveness is derived from the capabilities of our people, customers and vendors. The company is as strong as the strength of this eco-system.

Employees

At Centuryply, we invested in an operating culture benchmarked around the standards of excellence prevailing in the interior infrastructure sector. These standards comprise better people productivity, skills and capability, right person for the right job, training and skill renewal, talent safety and retention.

Customers and vendors

The company sustained its stable eco-system of vendors (those providing capital equipment, spares and resources) through repeat engagement. The company engaged with primary customers (trade partners) with whom it worked for years. The company generated a large proportion of costs and derived a large proportion of revenues from a stable eco-system of ten years or more, enhancing systemic predictability.

Community

The company engaged with the community around its manufacturing locations, widening its circle of prosperity in line with the United Nations' Sustainable Development Goals.

At Centuryply, responsibility is derived from safe, clean and hygienic workplaces. Such an environment enhances talent productivity and morale. Besides, a company with a credible HSE record enhances its reputation and credit-rating, translating into enhanced competitiveness.

Pandemic protection initiatives, 2020-21

- Introduced customised workplace safety / sanitation standards
- Thermal screening of all employees and visitors at the entry gates of office and factories
- Hand sanitisation facility at all entry gates, sections, offices, canteens and administrative building
- Additional buses deployed to reduce passengers per bus and enhance safe distancing
- Disinfection machines for all paper documents provided across all offices
- Implementation of working from home wherever possible
- Enhanced engagement through electronic video communication

Centuryply's rich knowledge capital

Large pool of employees
Employees (direct and contractual)

2020-21	10,713
2019-20	9,993
2018-19	10,444
2017-18	10,695

Rising talent productivity
Revenue per employee (₹ Crore)

2020-21	19.73
2019-20	22.84
2018-19	21.68
2017-18	18.72

Youthful company
Average age (years)

2020-21	39
2019-20	40
2018-19	40
2017-18	40

High knowledge retention
Employees of three years or more as a % of all employees

2020-21	81
2019-20	84
2018-19	91
2017-18	100

Governance responsibility

Governance represents the lifeblood of virtually every company today, Centuryply included. There is a greater importance of governance on sustainability. The economic and business environment has become uncertain; there is a greater premium on corporate stability. This need for increased stability is warranting a deeper need for governance. Governance is no longer peripheral to a company's existence but integral. As a result, investors are turning to the governance commitment and pedigree of companies as the litmus test of whether they meet their investment filter or not.

At Centuryply, we always believed that the 'how' influences the 'what': the process enhances the quality of product or service. At our Company, governance means being the best at everything we do: the priority to remain sustainable across market cycles over one-off profitability, the selection of the right strategy that makes this possible and focus on enhancing multi-stakeholder value. We believe that these overarching priorities are best delivered through the appointment of value-enhancing Directors on our Board, segregation of promoter and management interests, strategic clarity, structured performance management, systems and process-orientation, culture of comprehensive compliances, brand-led growth, comprehensive risk management and environment responsibility. This approach champions a completely different way of doing things: the opportunistic arbitrage-driven approach yielding to long-term eco-system stability.

At Century, our governance responsibility is drawn from a clarity on the way we will grow our business.

Controlled: In the business of interior infrastructure products we have consistently resisted the temptation to over-produce and dump products on our trade partners. We would rather grow in a predictable and sustainable manner to the extent that our accruals, Balance Sheet and risk appetite permit.

Best over big: In the business of interior infrastructure products manufacture, we have consistently maximised scale to enhance fixed cost amortisation. We believe that a combination of business breadth (multi-product portfolio) and scale has proved effective. We believe that a passionately run company with a sustainable mindset delivers efficiencies better aggressive growth across specific points only.

No arbitrage: In our business, marked by price swings for resources, there is a temptation to capitalise on these swings and generate additional 'Other income'. We have consistently resisted participating in playing sharp price movements but focused on the efficient conversion of raw materials into finished products around the highest quality.

Flexible portfolio: In our business, one can focus completely on a single product or widen the portfolio. We have selected to manufacture a range of products under the 'Century' umbrella, broadbasing our risk and reducing our dependence on one of few products with the objective to enhance our margins.

Environment responsibility: In our business, there is a priority to be perceived as being more environmentally responsible than the statutory requirement. We believe that investments in environment responsibility are usually more than re-couped through higher employee morale, community respect, stakeholder confidence, shareholder assurance and a superior credit-rating.

Board of Directors: At Centuryply, our strategic direction is influenced by our Board of Directors, who comprise professionals and industrialists of standing and have enriched our multi-sectorial business understanding and strategic direction.

Q&A

CONVERSATION

NEW CENTURY & ITS CULTURE: HOW THE COMPANY HAS VIRTUALLY REINVENTED ITSELF IN THE LAST COUPLE OF YEARS

What is the biggest transformation to have transpired at Century in the last few years?

The biggest transformation is clearly in the passion of the company. There used to be an important line propounded by the prominent management consultant Sumantra Ghoshal. He spoke about the 'smell of the corporation'. We find that relevant at New Century. The smell of the place has transformed considerably – from a company that usually performed marginally better or at par with the sectorial average to a company that has now begun to consistently outperform the sectorial average.

What could be the probable reasons for this transformation?

There is a change in the body language: from a defensive need to protect our leadership to a position where the company is actively pursuing opportunities to widen market share. This subtle transition is the result of various organisational developments converging around the same time, whether these are related to digitalisation, reinvention of sales process, new product development, footprint expansion, cost management, debt moderation and fresh capacity creation. The result is that there is no one Century; there are various Centurys within the same company, each driven by its own passion and momentum. The consolidated picture is that of a company committed to periodically transform its realities.

What are some of the ways this new Century became evident during the year under review?

The word 'technology'. This is perhaps the most significant passion-driver within the company, simply because it has created the basis for a completely different way of working. The conventional way of working within the company was in silos; at New Century, much of the working is collaborative. The conventional way of working was with information sitting on one's computer; at New Century, all information is located on cloud for the wider benefit of all decision-makers. The conventional way of working was the acceptance that our performance would be largely influenced by prevailing sectorial conditions; at New Century, there is a growing conviction that we can do well regardless (through additional market share).

How has technology helped transform the conventional mindset?

Until a couple of years, the use of technology within the organisation was defensive: as a support function and as a functional enabler. There has been a huge shift since: the company has invested in technology with the perspective of transforming every process. The result is that the technology-enabled substitutes are quicker, involve fewer processes, leave a trail that can be actioned on and are lower in costs. When you put this complement of upsides together, you get a financial impact measured in incremental sales or superior margins. Suddenly, at New Century, technology is not just a back-end provisions provider; it is the commander-in-chief of the army.

Can you provide an instance of how this digitalised New Century is making a difference?

Digitalisation reported progress in the company's sales force automation. There was a time when this function was completely manual with corresponding losses in transmission and translation. This function was always playing catch-up with what, where and how the market needed solutions. In the new digitalised Century, SFA is playing a decisive role in converting a customer suspect into a prospect; the translation of prospect-to-order has increased; the listening skills of sales team members when interfacing with customers have improved; the vast verbal inflow of customer enquiries to the sales manager have now been converted into manageable data; there is a greater transparency on daily sales office movements and productivity; there is enhanced accuracy in sales forecasting. As a result, we now have a digitalised and scalable sales platform, one of the most visible signposts of a transformed New Century culture.

AT NEW CENTURY, TECHNOLOGY IS NOT JUST A BACK-END PROVISIONS PROVIDER; IT IS THE COMMANDER-IN-CHIEF OF THE ARMY.

What else is a reflection of New Century?

The people at New Century! For long, the interior infrastructure sector was considered a legacy business. Because of this positioning, it attracted only specific kinds of professionals. There has been a big change at New Century. In the last few years, a younger and more professionally diverse company has emerged: a large number of the senior managers have been drawn from non-plywood backgrounds. The result is a vibrant managerial ferment where the bottomline is not 'This is how it is always done in our business' but 'How can we bring the best of practices from other sectors into our own?' At New Century, the bottomline is: agree to disagree and develop.

!

THERE IS A GREATER EVIDENCE OF CROSS-GEOGRAPHY AND CROSS-FUNCTIONAL TEAMWORKING THAN EVER. THE ONE WORD THAT MOST PEOPLE NOW KEEP GETTING TO IS 'SYSTEM'.

What is the other manifestation of New Century?

The corporate office ambience has played a powerful role in providing professionals with an energising workplace. The sales force has moved from its erstwhile engagement with retailers and trade partners to demand generation. The influencer loyalty programme ensures that whoever recommends our products is remunerated by the system (not through intercession by an executive). The moment a worker crosses 80% of the target for a year, the incentives begin to kick in (which implies a larger role for variable remuneration). There is a greater evidence of cross-geography and cross-functional teamworking than ever. The one word that most people now keep getting to is 'system', which has moderated to some extent the role of human moods in decision-making. This implies that a fair, equitable and predictable backbone is ensuring that stakeholders get what they deserve. The result is that branch executives are more entrepreneurial than ever, creating the basis of a company being driven grassroot upwards.

How will this evolve Century?

There will be a greater visibility of the company's animal spirit from this point onwards. If shareholders need an idea of how this will pan out, let me draw their attention to the two launches during the last financial year. The company could have launched a number of products but that would have only diluted the market's attention; the company focused on Virokill that proved a complete game-changer from the second quarter onwards and then launched the Firewall plywood technology that will strengthen our brand from the current year onwards. These may have been only two launches in eight months, but both proved disruptive. This is the New Century one is talking about: confidence in decision-making and game-changing in impact – and all because of a differentiated culture. Our story has just begun!

“When I tell people that I am from Centuryply, they instantly take notice and become accessible. Century's Sales Force Automation has improved my productivity, made me work in an organised manner and made me more involved in the process.” *Avik Chakraborty, 33, Senior sales executive, LAM & RECON, Kolkata*

“Centuryply has given me freedom to develop the market the way I want, which resulted in massive year-on-year growth. In most companies the Head Office would be controlling its executives on daily; here there is adequate freedom to do what one wants and deliver results.” *Sabyasachi Barik, 33, Manager, EGL, Bangalore.*

“The three things I find remarkable about the new Century office are the modern cafeteria, working on the same floor with the entire Century team and a ‘Green Building Policy’ which manifests in (among other things) in abstinence from smoking.” *Amrita Roy, joined 2007, 40, Senior Manager, HR, Kolkata*

“Having recently joined the organisation, I can't talk about the old Century. But the recently introduced Sales Force Automation has streamlined our sales process, and thanks to the daily SFA reports (provided columnwise), we are constantly up-to-date with our commitments. This has been a cultural game-changer.” *Sampath J, 40, Senior sales executive, LAM & RECON, Bangalore*

New Century employees speak on their restructured workflow and new workplace

“The various things that make this a different office: sitting area, conference meeting rooms, vendor meeting rooms, discussion zones, coffee zones and open plan office. The result is a science: a science that catalyses cross-functional interaction.” *Anvesh Garg, joined 2015, 35, Senior Product Manager, LAM, Kolkata*

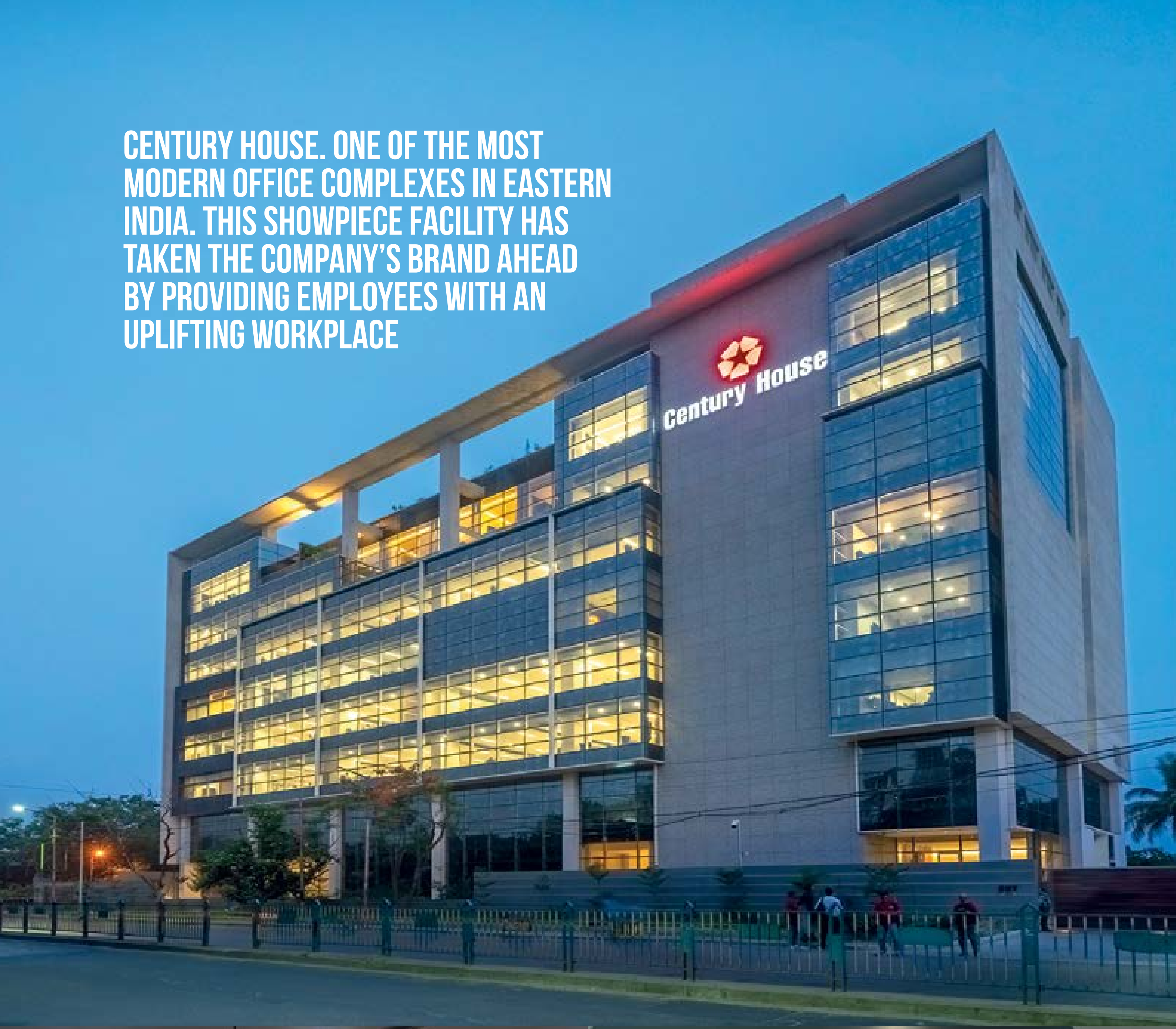
“I became a part of the Centuryply team in August 2020 and what I found encouraging was that the culture highlighted the role of an employee's contribution to the top management. This was pleasantly unusual.” *Kamlesh Sharma, 39, Senior sales executive, LAM and RECON, Jaipur*

“What I like best about our new office are glass cubicles and open-plan offices, which make it easy for executives from various hierarchies to interact outside a conference room table. The free-flowing nature of the office is possibly its best feature, which has increased energy and engagement!” *Amit Ray Burman, joined 2015, 51, General Manager, Pre-Sales, Kolkata*

“There is an open office vibe at the new Century office. Nowhere has this been more showcased than in the cafeteria in terms of hygiene, social distancing, spaciousness and modern feel. This is what makes Century fun!” *Anisha Das, joined 2015, 29, Senior Executive, PMG Decorative, Kolkata*

“The launch of Virokill did not just do much for consumers and trade partners; it enhanced employee pride as well to be a part of an organisation that addresses the need of the hour.” *Rohan Naresh Bawathade, 33, Assistant Sales Manager (ASM), LAM & RECON, Nagpur*

CENTURY HOUSE. ONE OF THE MOST MODERN OFFICE COMPLEXES IN EASTERN INDIA. THIS SHOWPIECE FACILITY HAS TAKEN THE COMPANY'S BRAND AHEAD BY PROVIDING EMPLOYEES WITH AN UPLIFTING WORKPLACE




Good
FOOD,
Great
COMPANY


INTEGRITY


TEAMWORK MAKES THE DREAM WORK

THE GAME-CHANGER: NO DEBT ON THE COMPANY'S BOOKS...

...AND HOW THIS WILL HELP STRENGTHEN THE CENTURYPLY BRAND

Overview

At Centuryply, we stand at an inflection point.

This inflection is on account of a single – but sweeping - change in the manner we wish to run our business.

For years, we grew by making investments in our manufacturing capacity that were funded either by debt or a mix of debt and net worth.

During the last few years, the company utilised a sizable part of its earnings to draw down its long-term debt – an aggregate ₹220.55 Crore repaid in the five years ending 2020-21.

The result is that our peak debt (excluding Raw Materials Buyer's Credit and Current Maturities) of ₹416.18 Crore in 2017 had declined to ₹81.47 Crore towards the close of 2020-21; correspondingly our peak gearing of 0.59 had declined to 0.06 towards the close of the year under review.

This improvement in our gearing (the lower the better) represents an attractive platform for our sustainable growth.

Game-changer

Centuryply is getting increasingly cash-rich; cash profit of ₹225 Crore in 2019-20 increased to ₹254 Crore in 2020-21.

The game-changer in the company's financing structure is that from henceforth virtually every rupee of investment will be derived from net worth (except for debt-based bridge financing for a short period).

This has already become evident: the company intends to increase its plywood capacity by 20%, invest in a new laminate production line and commission an entirely new medium density fibre plant with an aggregate investment of around ₹500 Crore. This will be the largest investment in the company's existence and funded by net worth.

The probable outcomes

There are probable outcomes of the company's debt-free approach.

One, we expect to invest in fresh capital expenditure only through accruals, making it a distinctive interior infrastructure company in this regard.

Two, revenue growth will be sizable and sustainable, given the largeness of investments going into the business and the correspondingly attractive margins enjoyed.

Three, each growth round will be secured through virtually no finance costs, enhancing competitiveness and accelerating project payback – a virtuous cycle of reinvestment and growth in an existing business.

Four, the Company could strengthen its valuation, reinforcing its valuation based on a pure proxy of the country's consumption-driven interior infrastructure growth.

Five, the Company's presence in a cyclical sector will be complemented by core revenue and profit visibility at all times.

Six, the accruals have reached a critical mass whereby they will provide the Company's investments with a critical mass available for reinvestment.

Seven, an accruals-driven business will provide the Company with a platform for sustainable multi-year growth.

Eight, a business with no interest outflow – for long-term debt or working capital – will be able to resist cyclical downturns without compromising its brand integrity or pricing strategy, emerging among the first in its sector to rebound following sectorial recovery.

Nine, we expect to narrow the range within which our EBITDA margin may move between good market cycles and bad, strengthening predictability and investor confidence.

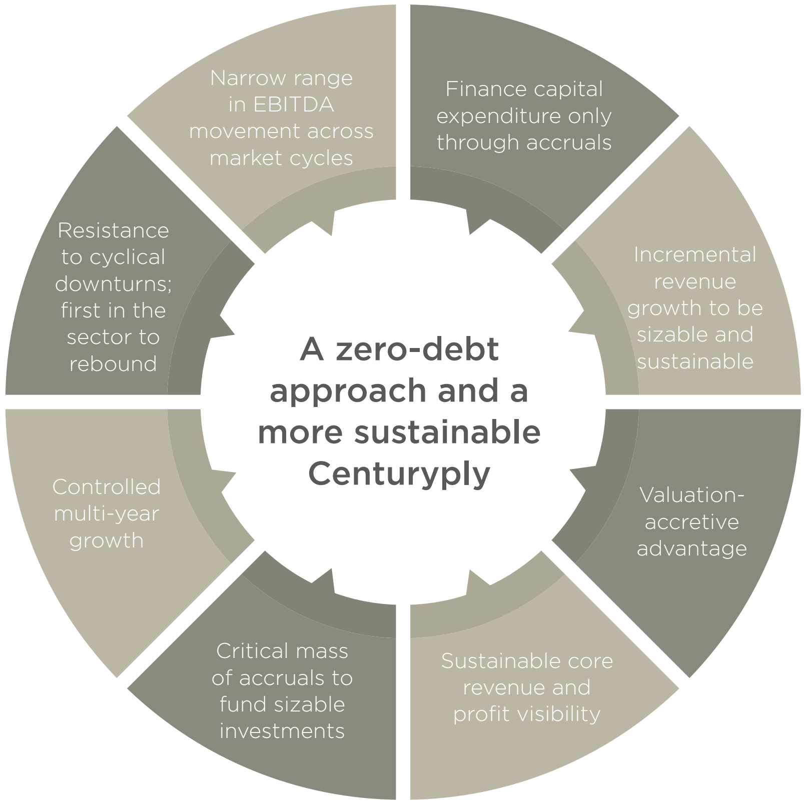
Conclusion

At Centuryply, we see our any-market liquidity as a competitive advantage when a number of our competitors possess debt on their books.

We believe that this decisive advantage – no interest outflow - will strengthen the corporate brand, graduate a revenue expenditure into income and reinforce the Company's premier position within its sector.

How a strong counter-lockdown approach helped Centuryply report an excellent year

- Strong go-to-market approach
- Introduction of technological tools to catalyse sales efforts
- Transformed sales team from OLJ ('Order lene jaate hain') to ODJ ('Order dene jayenge') when engaging with trade partners
- Launch of the innovative Virokill feature
- Enhanced employee morale despite pay cuts in the early part of the year (thereafter restored)
- Ensured seamless availability and supply of all inputs
- Moderated the working capital cycle
- Announced an expansion (post-Balance Sheet date development)



Century's robust financial engine

Q&A

CONVERSATION

CENTURYPLY AND DISRUPTIVE NEW PRODUCT DEVELOPMENT

How we deepened our culture of pleasantly surprising the consumer

Q: What was the most remarkable feature of 2020-21 from the perspective of new product development?

A: The most remarkable feature that most people are likely to miss is that Centuryply selected the most challenging phase in its existence – marked by low sales visibility – to launch its most exciting product feature in years. There were various perspectives: the Company would do better to wait and watch how the markets panned out before launching anything new; launch of a new feature would get drowned in a weak market sentiment. The Company kept faith; it was convinced that the timing was absolutely relevant to the needs of consumers – and that made all the difference.

Q: What was different about this launch?

A: There are three things that came across as differentiated about the Virokill feature (based on an anti-viral chemical based on a nanoengineered highly-activated nanoparticle) that was embedded in our plywood and laminates. The feature was positioned to kill viruses. The feature was introduced when the number of COVID-19 cases were rising. The feature was provided free across plywood and laminate varieties. The result is that consumers could get the benefit of anti-bacterial laminates, anti-fungal decorative veneers and anti-viral plywood-laminates-decorative veneers based on Virokill technology. This technology was applied to plywood, laminate and decorative products. The bottomline: Centuryply protects.

Q: What was the impact of this feature?

A: From the time the feature was launched, the products into which it was embedded took off on the sales front. Within a short time, the Virokill feature was what customers demanded by name. Interestingly, the launch of this feature did not merely catalyse the offtake of products; it did something more than that. Virokill shifted the needle as far as the Centuryply brand was concerned.

One, for years, the Company's products had been based around the aesthetic and durability planks –we were now saying that the products would also be good for consumer well-being, a decisive positioning shift.

Two, the launch of Virokill personalised the corporate brand from one that was professional, and hence successful, to one that truly cared for consumer wellbeing. When seen from this perspective the launch of this feature represented a watershed in the long history of product and feature launches at Centuryply.

Q: What else was clutter-cutting from the house of Centuryply?

A: During the course of the year, the research team focused on strengthening and launching its Firewall technology. There is an increasing relevance for this product: as fire safety regulations become stricter for building materials, there is a premium to make products increasingly fire-retardant. Our research team at Centuryply has always been engaged in the development of future-facing products – products and features the customer will increasingly require in the future. This facilitated the launch of Firewall technology that resulted in the manufacture of fire-retardant plywood products conforming to demanding international standards. The fact that the Company could work on two of the most exciting products of the last decade within the space of a few months indicates that Centuryply delivered just when the market conditions became the most challenging.

Q: What is that one message that you would likely to leave with shareholders?

A: The message is that Centuryply is not engaged in the research and development of me-too products. Our internal brief is clear: no room in incrementalism. We focus on the disruptive. We think of outrageous realities and then ask, 'Why not?' This is now an established process flow: this is how every member at our research team thinks. It is because of this institutionalised R&D approach that the Company could launch two disruptive products in quick succession, faster than at any point in our existence. This is indicative of New Century!

THE LAUNCH OF VIROKILL PERSONALISED THE CORPORATE BRAND FROM ONE THAT WAS PROFESSIONAL, AND HENCE SUCCESSFUL, TO ONE THAT TRULY CARED FOR CONSUMER WELLBEING.

Q&A

RESEARCH & DEVELOPMENT

'CENTURYPLY MATLAB SOMETHING NEW!'

How the Company has built on a culture of product innovation

Q: What is the biggest offtake driver of Century's products?

A: The biggest offtake driver is that the consumer is always protected. The brand may have been in existence for years but the quality standard is benchmarked as of today. The result is that when consumers buy into our products, the last thing they need to be worried about is under-performance. On the other hand, consumers feel that Centuryply brings new concepts and ideas to the market better and faster than its peers.

Q: How does this pioneering respect take the Company's business ahead?

A: This pioneering respect energises the Company's trade partners. They find one more point around which to engage consumers with. A number of trade partners tell us that this ability to introduce new products or new features works best with consumers. There is a disproportionately higher respect for the 'latest' or the 'improved' or the 'pioneering', translating into product outperformance.

Q: What has been the direction in which the Company has selected to manufacture pioneering products?

A: The one word that encapsulates the Company's pioneering focus has been 'protection'. Over the decades, Centuryply has introduced a range of products that promise the highest standards of product performance. We believe that this is a relevant positioning: the cost of failure is high, resulting in the need for product removal and replacement (usually at a higher cost). What consumers need in such an environment is an overarching quality assurance. coupled with a warranty.

Q: What has been the technology direction of the Company's research?

A: One of the core areas of the Company's R&D investment has been nanotechnology, a pioneering application within India's interior infrastructure sector. Centuryply's forward-looking investments in nanotechnology and nanomaterial are playing an important role in two areas - moderating material and energy use. The Company developed an inorganic complex nanomaterial in its laboratory to enhance fire-retardant plywood properties while moderating costs. Nanotechnology enhanced product durability in the production of wood composites like particle board and MDF. The use of antibacterial nanomaterial (nano silver) enhanced product resistance to bacteria and fungi, preventing them from growing on wood-based products (validated across the Japanese standard JIZ 2801:2010).

Q: What warranties has Centuryply provided consumers?

A: Centuryply was the first company in India's plywood sector to provide a multi-year warranty. Centuryply offered seven-year product warranties (Club Prime and Club Marine) at a time when the concept was largely unknown. With products staying undamaged for more than two decades, the Company extended the product warranty to 21 years. Centuryply became the first to introduce a warranty feature attached to any MDF product in India.

Q: What translates into a warranty confidence?

A: Centuryply was one of the first companies in the industry to invest in a state-of-the-art R&D unit. We believe that this forward-looking infrastructure has helped generate a pipeline of benchmark-raising products. For instance, Centuryply was the first in the country to introduce fire-retardant and water-resistant plywood varieties in India. Centuryply was the only company to introduce affordable fire-retardant plywood. The Company pioneered boiling water-resistant decorative veneer, powder-proof PF plywood. The Company pioneered borer-proof and termite-proof plywood in India.

Q: Where have these products found increased application?

A: The increasing relevance of 'green' buildings makes it imperative to use panel products that conform to rising fire-retardant standards. By the virtue of possessing such a product, Centuryply is a preferred player to address the growing opportunity of 'green' buildings.

Q: What was the highlight of the Company's pioneering initiative during the year under review?

A: Centuryply emerged as the first company in India to use nanotechnology to introduce anti-bacterial and finger-print resistant laminates.

INCREASING IMPORTANCE OF NANOTECHNOLOGY IN THE INTERIOR INFRASTRUCTURE PRODUCTS

Wood is a natural, biodegradable and renewable material. Its low thermal and electrical conductivity have made it unique. However, wood quality can depreciate on account of fungal and insect action; it is vulnerable to fire and water absorption.

Nanotechnology enhances material quality (including wood and wood-composites). It has been arguably the most extensively developing research area in our business in the last couple of decades.

Nanotechnology is capable of turning an electrical conductor to a non-conductor and vice-versa. A laminate coating makes it anti-bacterial. Centuryply, the leading manufacturer and supplier of quality plywood, laminate sheets, fibre-board, MDF boards and veneer wood, introduced nanotechnology to develop germ-free laminates. Following research in Centuryply's labs in five years, nanotechnology has been incorporated in anti-microbial laminates. The Company also created anti-fungal laminates for damp areas; polymers were developed to counter surface fungal action in a few minutes.

Centuryply is developing raw materials needed in nanotechnology applications, strengthening the quality of downstream applications, control, integration and economy.

The next objective: an anti-viral laminate!

Our R&D priorities

- Identify what consumers need the most; plug market gaps
- Launch disruptive products even before customers ask for them
- Create markets; market shares will follow
- Strengthen the products in the launch pipeline

Virokill

- Launched in August 2020
- Anti-microbial, anti-bacterial and anti-fungal
- Available with plywood, blackboards, laminates, and veneers
- Extends the conventional virus-retarding function; kills 99.99% viruses
- All manufactured products 99.99% anti-viral
- Tested against a positive-sense single-stranded RNA virus (composition similar to COVID-19).
- Use of certified nanoparticles to counter viruses
- No additional price premium for the feature
- Enhanced relief among trade partners and carpenters

Year-on-year product introductions

1996-97	1999	1999	2016	2017	2020	2021
Launch of anti-porous and anti-termite slides	Launch of borer-proof plywood	Launch of termite-proof plywood	Launch of germ-proof plywood	Launch of anti-fungal decorative veneer	Launch of Virokill	Launch of Firewall for the entire plywood range

DIGITAL CENTURYPLY

THE NEW AND MODERN FACE OF THE COMPANY

Digital Centuryply and stakeholders

Customers
Increased use of digital media for promotion

Customers
Direct engagement with prospective customers

Trade partners
Increased transparency

Trade partners
Greater leads conversion through trade partners

Employees
Quicker workflows; enhanced transparency

Public
More visible Century brand

Overview

In the past, the digital function was perceived as a backend support function rather than a business driver; there was a perception that digitalisation was a cost centre more than a value creator on account of the extended time taken to unlock business value.

There has been a substantial rethink, marked by a growing realisation that there are just two kinds of businesses – those that have digitalised and those that have not.

This transformation in perspective is the result of a convergence of various technologies – Internet of Things, Artificial Intelligence, machine learning, blockchain, smartphone revolution and the onset of 5G.

The convergence of these technologies represents a challenge and an opportunity. For the nimble, this convergence provides an opportunity to transform the business with speed, enhance forecasting competence and information transparency leading to knowledge-based decision making.

Centuryply invested in a long-term digitalisation direction to produce as much as it can, moderate costs, strengthen the trade partner's ease of doing business, deepen market presence and graduate from product sale to consumer solutions. The Company's digitalisation priorities comprised the creation of a multi-year digitalisation road map, engagement with the industry's best consultants and vendors, digitalisation coverage of every aspect of the Company's operations and exploration of the development frontier through pioneering initiatives. The result is that digitalisation is not peripheral to Centuryply; it represents the core of our existence, touching every organisational aspect.

Gradually a new avatar emerged – an avatar graduating from the manual and semi-automated to the digitalised, with implications extending to brand share strengthening, enhanced competitiveness, market share accretion, increased productivity and enhanced profitability.

Creating a digitalised company

- Extending the power of digitalisation across operations
- Reporting improvements in manufacturing, productisation, promotions and working capital management
- Translating into enhanced margins

Challenges

The year under review commenced with the lockdown, necessitating a need to converge Centuryply's managerial workforce to virtual collaborative working. At a short notice, the Company's IT team worked relentlessly to establish secured access of IT applications from outside the office premises; gradually, most applications were moved to Cloud. The Company initially provided a virtual meeting platform and later implemented a collaborative platform (Google Application system) to converge mailing solutions, virtual meetings and shared working (Google drives and Google forms) under one technology umbrella.

Highlights, 2020-21

The Company accelerated its digital transformation agenda when the lockdown was imposed and extended. The function of the Company's IT team changed: to accelerating business transformation using digitalised technology/tools. The team aligned with the following expectations:

Collaborative working: Within a short notice, the IT team implemented the Google Application System across the head office, branches and plants. The on-premise mailing solution was migrated to Google across almost 2,000 users; users were trained on the new features and soon a collaborative culture was deepened.

Cloud transformation: To maximise uptime, most IT applications were moved to Cloud and for business-critical applications, the DR [need expanded form] setup was established.

Sales transformation: The IT team worked closely with the sales and marketing teams in the implementation of several apps across business segments.

Automation and analytics: The IT team identified the need for automation and analytics across businesses. Robotics Process Automation was implemented to automate a complex veneer costing process; SAP reports were redesigned and dispatched to users; the analytics platform was finalised to be leveraged from 2021-22 onwards.

Data security: The IT Team prepared a comprehensive data security policy.

Improved outcomes

Century's IT function was increasingly aligned with business needs leading to accelerated transformation.

The team accelerated digital transformation by working on Automation, Internet of Things and artificial intelligence / machine learning.

The IT structure was changed; a new position was created for Head - New Initiatives.

The IT function spearheaded the implementation of Entrepreneurial Operating System coupled with a Level-10 weekly review, which removed operating silos.

Transformation

Over last few years, the IT team played a key role in integrating multiple functions (business processes) into one Enterprise platform dovetailed with SAP, best practices, controls and checks.

IT strengthened a collaborative spirit across multiple functions through a pan-Centuryply communication platform, global mailing solution, uniform virtual solution and shared applications.

The result was that starting last year, manual operations were replaced with faster reliable digital alternatives; manual reports were replaced with automated equivalents.

Outlook

With the advent of new digital technologies – IoT, Artificial Intelligence, Machine Learning and Robotic Process Automation, the IT function will play a larger role in business transformation. Through IoT solutions, machine data will be acquired for improving operational performances and predictive analytics through key performance indicators of factories across value streams. AI/ML will be used for predictions – efficiency prediction, failure prediction, demand forecasting, consumption/yield forecasting and early watch alerts. Robotic process automation will improve productivity by replacing manual operations with a robot.

The Company's digitisation outlook is ambitious, graduating every organisational arm (procurement, sales, manufacturing, supply chain etc.) to digital-first.

The Company intends to implement or recalibrate processes that maximise human and digital capabilities leading to positive outcomes (revenue growth, optimised costs and superior customer experience).

Each function has created an independent digital roadmap aligned with a central team to maximise synergies.

The Company intends to deepen digitalisation through a combination of robotic process automation, advanced analytics, machine learning and artificial intelligence-based use cases.

The Company has built machine learning models for demand forecasting.

CASE STUDY

How Google Application Suite's implementation has created a scalable digital foundation at Centuryply

Until recently, Centuryply used an on-premise mailing solution supported by an external vendor. The mailing solution was unreliable – a number of key mails would not reach external contacts; the system was vulnerable to hacking and the mailing system was once down for almost 10 days due to a ransomware attack and then for days following Cyclone Amphan in May 2020.

Centuryply needed a competent and cost-effective solution.

The challenges were considerable: the need to migrate 2,000-odd mail users and production suite to the new platform, build team capabilities (previous mailing solution being supported by an external partner), train users and provide post-migration support mechanism.

The implementation and utilisation of the collaborative platform of Google Application proved to be a success in various respects.

The solution helped remove operational silos across the organisation. The virtual meeting format improved productivity. The Google Cloud mailing solution uptime was maximised. The entire suite of products was bundled into a composite solution. All users were provided a video conferencing option.

The Google Office automation suite helped reduce license costs of other software. The need for a backup solution and storage was made redundant.

The Google Application suite has done more than provide functional features; it has established a scalable foundation for the Company's sustained digital transformation.

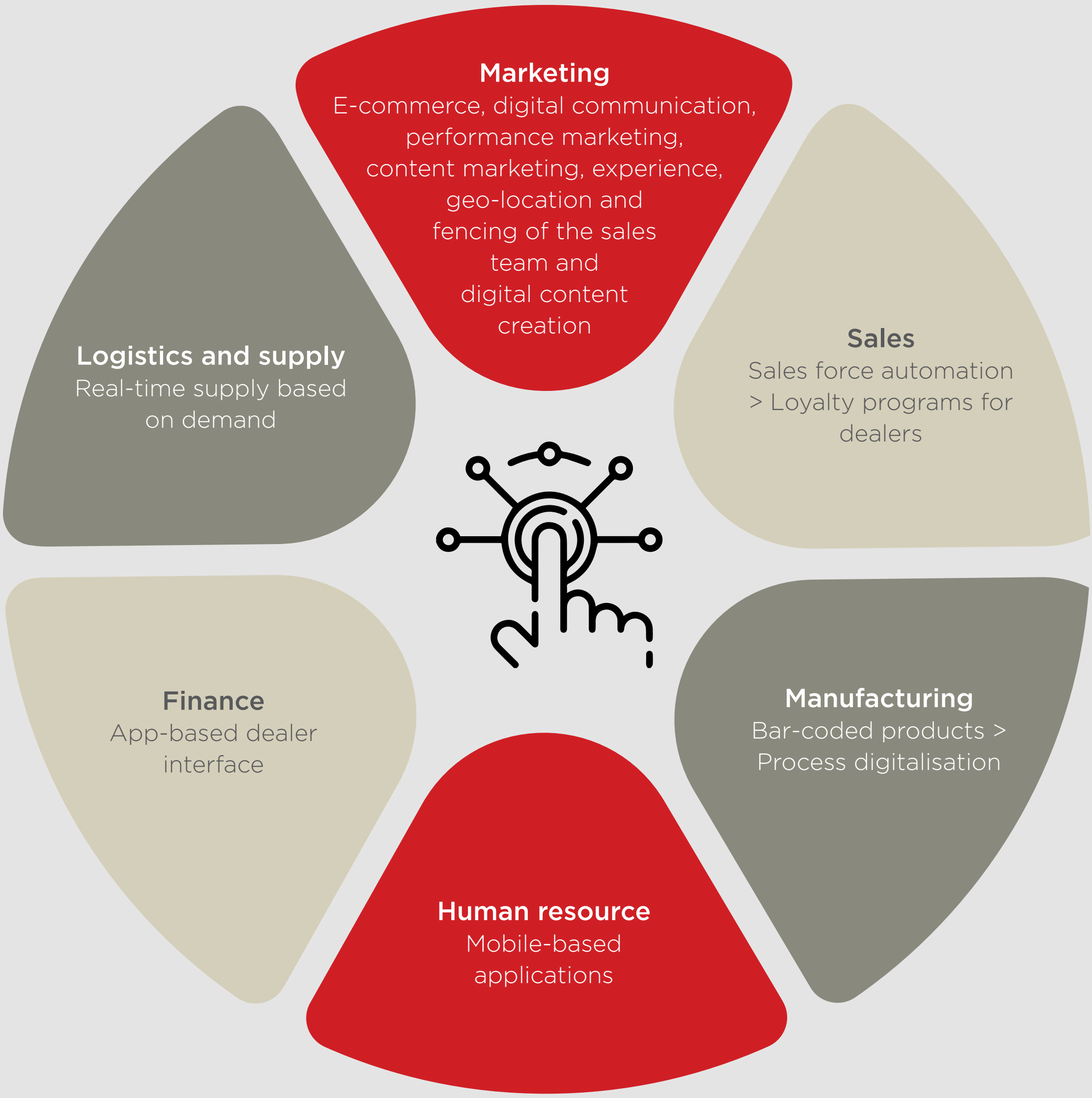
Strengths

Functional competence
The IT team upgrades skills around new technologies. The team is supporting the enterprise business application – SAP and all relevant process improvement initiatives as well as IT infrastructure.

Digital transformation
The team is adapting to new digital technologies, upgrading its knowledge of IoT, Artificial Intelligence / Machine Learning, Robotic Process Automation and other technologies.

Business acumen
The team works with various functions, matching their business needs with IT applications.

Customer focus
The team focuses on fulfilling the needs of end users (internal customers), the key performance parameters monitored in the L-10 (weekly review meeting).



HOW DIGITALISATION HAS EXTENDED ACROSS CENTURYPLY

Q&A

INTERVIEW

HOW CENTURYPLY REINVENTED ITS SALES FUNCTION THROUGH DIGITALISATION

A conversation with the management on how we introduced Sales Force Automation in 2020-21

Q: What was the background that led to the introduction of Sales Force Automation during the year under review?

A: The introduction of sales force automation (SFA) was partly a result of the rapid growth of the Company that now needed a method and partly the result of a sweeping trend towards digitalisation. When you combine these realities, it became increasingly evident that the time to move to SFA was finally at hand. Besides, being in a business where products were manufactured in a handful of locations but sold through hundreds of locations based on enquiries coming out of thousands of locations, there emerged a premium related to information collection, processing, deductions and forecasting.

Q: What were the limitations that made SFA necessary?

A: The erstwhile process was manual with challenges related to volume management, dangers of picking a few samples, making decisions on the basis of inadequate data, making the approach completely human-dependent and responding slowly to a fast-evolving marketplace. It became increasingly evident that all investments going into manufacture, product development and capital efficiency would eventually be bottlenecked by the inability to sell products with speed or sell the way we always did. There was a need to change this erstwhile approach, which became the basis for the SFA.

Q: How did these erstwhile limitations translate into a bottleneck?

A: Earlier, Centuryply's business was largely skewed towards high value retailers in cities or districts and moderately towards retailers and influencers, which resulted in low productivity and no focus on demand generation. Even as there existed a go-to-market approach, it would be implemented differently in different geographies by different branch sales managers. Besides, the field data would be manually maintained at scattered points with possibilities of errors in their tabulation and interpretation. At Centuryply, we recognised that if we were to build a new Century, the rebuilding would need to begin with the way we sold our products in one of the biggest markets of the world.

Q: What changes did the Company implement?

A: If there is one word that encapsulates all these changes, it would be 'discipline'.

The SFA helped us launch a new go-to-market approach that aggregated a large pool of credible data to be analysed, classified and measured.

The new approach ensured that our sales professionals now focused on demand generation by making a specific number of scouting calls and not wasting time in relationship-building with retailers (interestingly, since we generated orders for retailers, the retailers began to perceive Century's sales team as business consultants).

We moderated the number of retailers being serviced per sales person from 80-90 to 20-30, focusing largely on those accounting for 80% of our business. The remaining 70-odd per cent retailers were addressed by a new tele-sales team for which the sales team was not required to intervene.

Retailers were now geo-tagged for their precise locations and recorded in our central RDMS server that was mapped around our SFA system. As a result, our sales team became more scientific and often responded with speed within minutes, whereas conventionally this could have taken a couple of days.

Q: What was the single biggest upside?

A: Data, data and more data. We began to access a large pool of data of consumer locations, their likeliness of spending, the probable quantum of spending and the nature of interior infrastructure products they would need. We did not just possess data; we possessed centralised data on cloud that could be accessible to all in real-time. Inadequate information was not locked in a corner of the organisation for a select few; it was liberated for informed decision-making across levels. Soon enough, data began to be converted into informed reports and dashboards, saving organisational time and enhancing sales team efficiency. The result is that at Century, sales is now informed with our forecasts closer to our targets than ever, transforming the ability of our supply chains, output and ability to put products on shelves.

Q: What were some of the upsides?

A: By consciously limiting the breadth of our presence, we now increased the depth of our penetration (less retailers covered per sales professional). Our tele-sales function proved successful, liberating precious feet-on-street to address the value-added. The data of our sales team movement was monitored to enhance efficiency. The sales executives' performances were evaluated daily by their reporting managers, prompting timely correction. Reports and dashboards (daily, weekly and monthly) were shared to provide branch managers with an overview of what was transpiring in their terrains. Suddenly, it was an entirely new way of working.

Q: How has that transformed an understanding of the geographies of your presence?

A: Geo-fencing and geospatial data provided us with detailed information of previously-serviced and newly-discovered geographies, which now helped us stay a step ahead of competition in every aspect and innovate new product lines as per consumer needs – selling the right product to the right consumer in the right location. As a result of the SFA, the Company's sales function has brought in a completely new dimension in understanding of who will buy what, when and why. This then is New Century!

AS A RESULT OF THE SFA, THE COMPANY'S SALES FUNCTION HAS BROUGHT IN A COMPLETELY NEW DIMENSION IN UNDERSTANDING OF WHO WILL BUY WHAT, WHEN AND WHY. THIS THEN IS NEW CENTURY!

HOW SALES FORCE AUTOMATION HAS TRANSFORMED OUR CULTURE

Centuryply's pan-India sales team members speak

"**Sales** force automation has replaced the diary; salesman and client discussions are recorded and leads tracked easily. Automation system has improved the follow-up mechanism; every morning the follow-up task is shown as 'pending' in the bell icon and until all tasks are completed, the sales person cannot wind up and go home. The result: increased systemic productivity and leads conversion. Best of all, data is available at a finger's touch. This is how all sales professionals will work in the future."

Amit Taneja, Senior Assistant Sales Manager, Jaipur

"**SFA** has emerged as a backbone as it guides the sales person on where to focus, whom to focus on and when to focus. This has enhanced team morale: from a point when the management expected results regardless of everything to a point where the management is providing the tools to achieve the end. The feeling is that 'Management hamaare saath hain!'"

Ajeet Ojha, RSM (North), New Delhi

"**Sales** force automation has helped generate leads, follow leads, remind people in the field of leads. So the operative word: leads, leads and more leads. A person, who was on an average closing around 4-5 leads a month, is now closing 40-50% more leads. What is remarkable is that this has strengthened team working: an understanding of which leads to be followed, identification of team members and what support they need. The culture has changed!"

Sumit Roy, DGM (Exteria), Kolkata

"**How** productive has SFA been? Sales volume at our branch increased month after month in 2020-21 and peaked in March 2021. SFA plugged an important reality: memory loss. The 'bhool gaya' reality has disappeared. And that is because each sales person gets an alert and can track details of meetings and activities. The result is that SFA works like a fruitful diary, effective alarm, data storage system and a balance between our personal and professional lives."

Rishikesh Mishra, Location Head, Lucknow

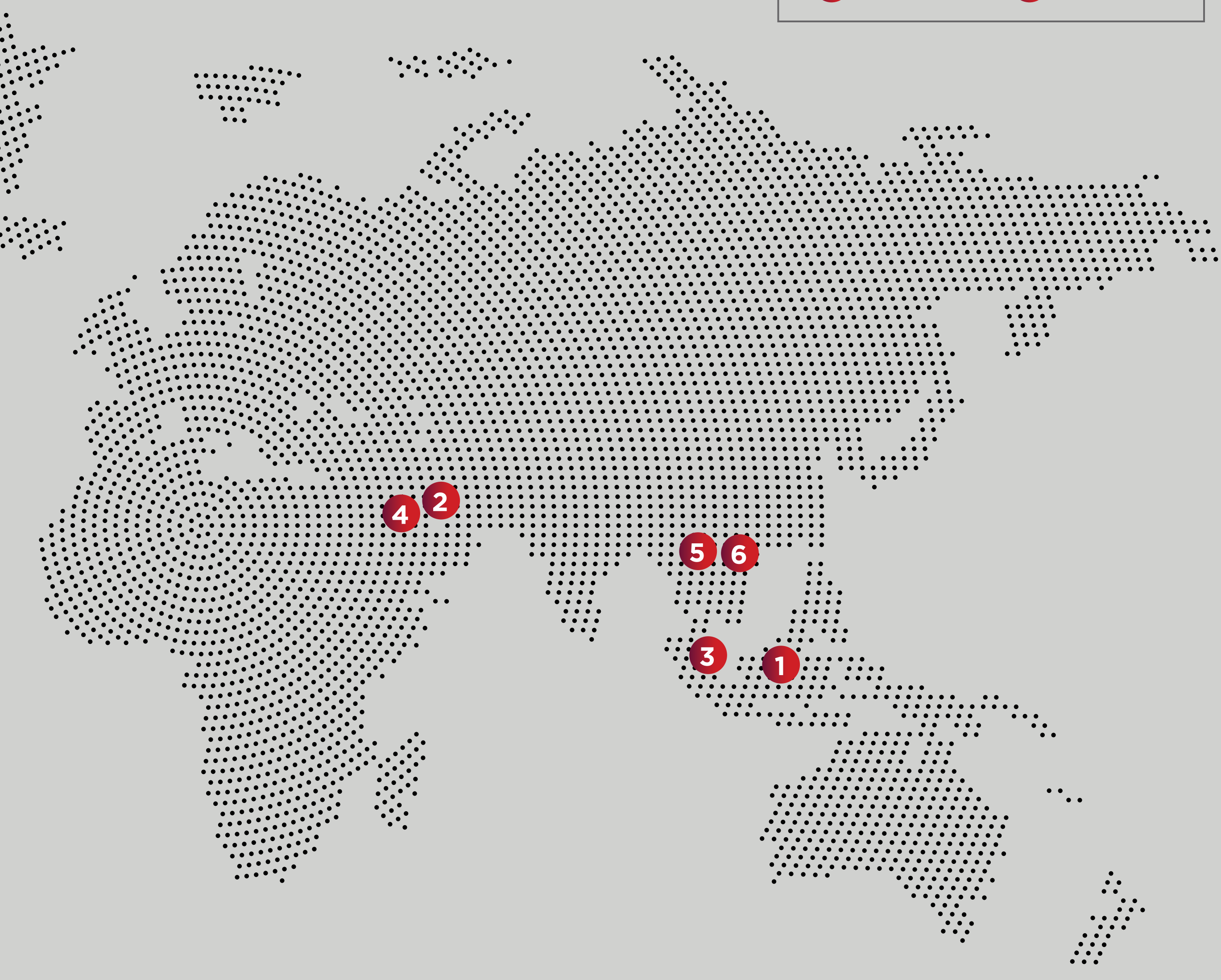
"**SFA** provides multi-angular data, which cannot be captured manually. Besides, the sales person can input data while working 'live' on the field. Automation provides details of how the sales was generated, where the sales enquiry reached Century, owner and supplier of the lead and sales, other lead details and follow-up. SFA has helped us work closer with grassroot contractors who are the major influencers. The result: the laminates topline of the Bhubaneshwar branch increased 50% in a COVID-19 year."

Sudip Chakraborty, Zonal Head (East & West), Kolkata

10 COUNTRIES WHERE WE EXPORT

Top 10 countries where we exported our products during 2020-21

1 Indonesia	2 UAE
3 Singapore	4 Israel
5 Thailand	6 Vietnam
7 Mexico	8 USA
9 Venezuela	10 Pureto Rico



Q&A

PROCESS EXCELLENCE

HOW CENTURYPLY REVIVED OUR MANUFACTURING ENGINE TO POST A RECORD YEAR

A conversation on how the manufacturing effectiveness strengthened Centuryply's competitiveness

Q: The Company reported a record year in terms of manufacturing growth, which indicates that the operational progress must have been smooth.

A: The year under review was challenging across different phases for different reasons. During the first quarter, the Company's operations were affected due to the enforced lockdown across the country and a reverse migration that affected the Company's access to workers. Thereafter, there was a premium on the need to mobilise adequate raw material in anticipation of an increase in demand. The onset of the super cyclone Amphan disrupted operations just when it was important to revive manufacturing capacity utilisation. There was an ongoing need to generate more from less, moderate costs and enhance product quality. And last, and perhaps most important, there was an ongoing priority to protect our workers from being infected while they worked on our shopfloor. It would be fair to say that there was not a single minute during the course of the year when we were not challenged – defensively or aggressively.

Q: What were the various initiatives that helped counter these various challenges?

A: The Company may have produced relatively little during the first quarter but there was an ongoing priority to maintain productivity and quality even with a lower throughput. Multi-tasking training was extended from intra-section to inter-section. The Company entered into strategic volume-based sourcing from international and domestic suppliers based on its advance production plan, keeping well in mind that a higher buffer for a brief period could be a competitive advantage in the event of logistical disruptions. The Company enhanced its peeling capacity by entering into outsourcing arrangements with other companies, enhancing its access to capacity without a corresponding increase in capital expenditure. The Company strengthened the cash flows of its vendors, resulting in a timely access to material. The distancing of workers was maintained with other safeguards around the recognition that one small mistake could have far-reaching consequences. The team at the Kolkata plant restored operations at the damaged plywood unit within a month of the super cyclone.

Q: What were the highlights of this function's working in 2020-21?

A: The Company achieved volume production growth for plywood for the full year, which accounted for more than half the Company's revenues, despite the extensive productivity decline during the first quarter. This increase was mirrored across other building material products, which helped service the growing needs of our sales teams. The fact that there was never a stockout at the retailer end indicates the efficiency of the manufacturing team to respond to the sharp improvement in demand from the second quarter onwards.

The Company enhanced product quality as a result of which panel inventory declined 44% at the 2020-21 year-end, helping achieve the zero dead inventory ideal. Whatever was made was of the highest quality and shipped out with minimal storage time, strengthening our working capital management.

There was one interesting feature of our operations that we discovered during that challenging first quarter: even as we encountered a shortage of workers, we revised our per person productivity norms: as this trended upwards, we covered the gap on account of a decline in worker availability, creating a platform for the highest production achieved during the year under review.

And finally, the manufacturing team responded with ingenuity when it came to the display of decorative and teak plywood. Usually these products would be showcased at the manufacturing plants for a physical examination and appraised by prospective customers; our team was responsive to switch to the digital platform where product selection could now be facilitated through a complement of images, video sharing and live streaming.

The bottomline: each time a new challenge arose, the manufacturing team responded with creativity to transform the challenge into an opportunity.

Q: What were the different ways the manufacturing function strengthened during the year under review?

A: There are three ways in which we pushed the manufacturing frontier during the year under review.

In the past, the approach was to maximise production to the extent possible in the expectation that the Company's trade channels would liquidate that inventory. There has been a significant rethink; production planning is now based on the quantum of stock required to fill the dealer/distributor's premises – no more and no less – through the use of software. What the Company developed a competence in was the ability to respond to market requirements with speed. As this system stabilised during 2020-21, we recognised that unwanted production or slow-moving inventory began to decline at our plants, strengthening space cum capital efficiency at both ends.

At Centuryply, we continued to experiment with materials. We believed that in a business utilising ₹1,053.45 Crore of raw materials (2020-21), even a one per cent improvement in efficiency would translate into a significant addition to earnings per share. In 2020-21, the use of core composer and full-length glue spreader ensured better quality on the one hand and moderated the use of people deployment on the other.

Besides, our team did not work from a silo; it co-ordinated between the other Centuryply teams handling purchase, production and logistics, which resulted in a quicker capacity in filling probable dispatch shortfalls to any part of the country when demand spiked following the lifting of the lockdown.

Outlook

The Company intends to institutionalise a culture of continuous improvement (process review and machine modernisation) through a multi-year road map captured in a Vision 2025 journey.

NEW PRODUCTS WE MANUFACTURED FOR THE FIRST TIME

- Plywood with machine-composed and full-length veneer resulting in a gap-less product
- Anti-viral panel products embedded with Virokill technology
- Decorative range with the indigenous dyeing of veneers
- Substitution of imports with indigenous alternatives in laminate manufacture

"PROJECT SARVOTTAM AIMED AT ENHANCING THE COMPANY'S LONG-TERM COMPETITIVE ADVANTAGE"

A top tier consulting firm was engaged in December 2020 to support Centuryply in driving a cost excellence program. This is a conversation with its Senior Partner working on the project

Q: What is the overarching objective of Project Sarvottam?

A: As the name suggests, Project Sarvottam was launched with a core focus to embed a 'Century way of working' in line with best-in-class practices and drive cost efficiencies along the way.

Q: When you started the project, was there ample scope to optimise costs at Century?

A: What is good can always be made better. While Century's performance was one befitting an industry leader, we were confident that a thorough and systematic assessment of current processes will unearth opportunities to drive improvements and cost optimisation.

Project Sarvottam was not about taking a compartmentalised approach towards cost optimisation. It was about enhancing efficiency and productivity across the organisation while continuing to focus on topline growth. This approach ensured we were able to strengthen Century's market position & value creation potential. We focused on surpassing benchmark efficiency levels while building best-in class, sustainable processes and capabilities. We recognised that to drive this, we would need to change ways of working across the organisation and do so in a way that could be sustained. Hence, initiatives were designed with the right set of 'enablers' to ensure the change and impact sticks.

Q: What was the extent of your assessment - what did it take to drive this change and optimisation?

A: The objective was to drive substantive and sustainable change - the program looked to re-think and innovate workflows and processes while identifying and fortifying existing strengths. The success was truly in the expanse and holistic nature of the program: focusing on all elements of the value chain - raw material procurement, manufacturing operations and inbound / outbound supply chain – with efficiencies achieved in one area having a rub-off on the other. Each cost item, process and long held 'belief' was assessed versus best practices to come up with a New Century way of working.

Q: What benefits are likely to accrue from the programme?

A: Across the initiatives that were identified and implemented, we have been able to drive ~10% efficiency improvements across priority focus areas on procurement, logistics and operations. Project Sarvottam was launched in December 2020; some initiatives kicked in around the end of Q4 of 2020-21 - so the full impact will only be visible in the coming quarters and fiscal year. What was quite visible within 2020-21 was how energised the entire organisation has become. A testimony to this combined effort is the record highs in several productivity metrics across Century's manufacturing units and businesses. This is just the beginning: this culture of continuous improvement that has been embedded into Century teams, coupled with smart deployment of automation, digital and data-driven analytics, possess the potential to drive substantial impact.

THIS IS JUST THE BEGINNING: THIS CULTURE OF CONTINUOUS IMPROVEMENT THAT HAS BEEN EMBEDDED INTO CENTURY TEAMS, COUPLED WITH SMART DEPLOYMENT OF AUTOMATION, DIGITAL AND DATA-DRIVEN ANALYTICS, POSSESS THE POTENTIAL TO DRIVE SUBSTANTIAL IMPACT.

PART

5

BUSINESS SEGMENTS

BUSINESS VERTICAL

PLYWOOD: CENTURYPLY'S BREAD AND BUTTER

Overview

The name 'Century' is synonymous with 'plywood' even though the Company has extended across a range of products in the last couple of decades.

The Company's sustained leadership of the plywood sector and that fact that this business segment accounts for 53% of the Company's revenues has had profitable upsides: the strong 'Raho befikar' brand derived from plywood has extended to virtually every product from the Company and even become synonymous with the Company's principal recall – a remarkable instance of a product brand eventually becoming the recall for the entire company. The result is a trust mark: 'If it is Centuryply, we can buy eyes closed.'

This quality assurance is relevant for a country marked by a range in climatic extremes - from Rajasthan's desert heat to the Himalayan cold to the tropical heartland heat to the erosive coastal influence. Over the decades, Century's research-driven products have translated into extended durability that promise consumers with a superior value and commitment to replace in the event of quality under-delivery.

Over the decades, the Company has deepened the relevance of its plywood business through the following interventions: faithful consistency in positioning its plywood sub-brands around a trust-enhancing recall, the ability to provide a range of products for every pocket (Sainik to Club Prime), the ability to periodically launch features addressing diverse consumer needs, the ability to reach products close to where consumers may need them – and the ability do all this around a price-value proposition that is arguably the most compelling within India's interior infrastructure sector.

Challenges and counter-initiatives, 2020-21

The Company responded with foresight when the lockdown was imposed in late 2019-20. The objective of the business was to conserve financial resources and moderate expenses without rationalising human capital or compromising safety.

Thereafter, the Company embarked on a four-pronged agenda: **one,** engaged with key stakeholders (dealers and contractors) over telephone and remote video-conferencing to ascertain ground realities leading to responsive decision-making; **two,** the Company rolled out the new go-to-market approach for the sales team comprising a Sales Force Automation tool; **three,** the launch of a new product feature embedded in every plywood sheet (Virokill) promised virus elimination; **four,** growing brand reinvestment through a sustained promotion on digital and electronic media channels.

Highlights, 2020-21

Century's plywood business accounted for 53% of the Company's revenues during the year under review (compared with 54% in the previous year). This business de-grew 6% by volume and 4.8% by value. Average realisations strengthened 1.2% during the year, validating the Company's commitment to market better products quality leading to higher realisations.

The Company capitalised on the demand revival within the economy from the second quarter onwards by making products available at the store fronts of trade partners across the country. Initiatives taken in the area of direct demand generation by the sales team through physical visits of residential and small commercial sites made it possible to mine the market deeper and help dealers sell a larger volume.

The launch of the Virokill feature in the plywood product proved to be a game-changer, catalysing the offtake of the Company's entire plywood range and enhancing the Company's market share from the third quarter onwards.

The Company's value product Sainik 710 – addressing price-sensitive entry-level consumers – grew 19% in revenues and accounted for nearly a sixth of the Company's plywood offtake, validating the Company's decision to address this end of the business (₹80-100 per sft consumer price) that is the largest in the industry.

The Company ensured that in the pursuit of volumes it did not compromise its brand integrity by discounting or extending the receivables cycle. The result is that Century utilised its cash flows to extend collections and enhance competitiveness without compromising its Balance Sheet - from 41 days of turnover equivalent in March 2020 to 51 days as on 31st March 2021.

Our strengths

The principal strength of the Company's plywood range continued to be its high unaided 'Raho befikar' recall.

This recall was reinforced during the year under review – the launch of the nano-technology-induced Virokill treatment made it possible to kill viruses on plywood surface sheets, deepening an assurance to consumers to live without worry.

The Company reinforced this trust through its QR Code initiative on every plywood sheet that made it possible for a prospective consumer to scan with the smartphone and access information on the location and date of manufacture, validating the product's genuineness at a time of growing counterfeits.

The Company's sales force automation translated into a competitive advantage, resulting in enhanced responsiveness to marketplace developments.

The Company's digitalisation push made it possible for plywood to be brought off e-commerce platforms or prominent marketplaces, enhancing consumer convenience.

The Company launched new products that widened choice for consumers - Century Film Face shuttering ply for the construction industry and Sainik OEM plywood for use by furniture OEMs. In early 2021-22, the Company launched Firewall, a plywood variety designed to delay the spread of fire and enhance interior safety, reinforcing the Company's 'Raho befikar' promise.

Outlook

The Company will invest deeper in brand building, sustain product innovation, extend the Firewall feature into premium products (Architect Ply and Century Club Prime) and widen the impact of its sales force automation, accelerating growth.

9 WAYS CENTURYPLY'S FIREWALL PLYWOOD STANDS FOR 'KHAREEDAARI ME SAMAJHDAARI'

Boiling water-proof, borer and termite-proof ... and now fire-proof as well

01 | **The only genuine IS 5509 plywood:** While various manufacturers claim their products to be fire-retardant, Firewall is the only genuinely IS 5509-compliant plywood, enhancing assurance and trust.

02 | **Conforming to international standards:** ASTM E84 standard (American Society for Testing and Materials): Firewall does not just conform to Indian standards (IS 5509), but also addresses the demanding international American (ASTM E84) and British Standard. (BS476 Part 7) when measured for flammability, spreadability, penetration and smoke-developed index.

03 | **Nano-engineered particles for enhanced fire resistance:** Firewall plywood has been impregnated with specially formulated nano-engineered particles that resist ignition and flame penetration, providing the affected with precious time to escape.

04 | **Less smoke and less toxic emission:** Firewall plywood has been treated with a unique combination of enhanced fire-retardant chemicals, ensuring low smoke and toxic gas emission in the case of fire.

05 | **Slower fire penetration:** Under standard test conditions, it takes over 50 minutes for a flame to penetrate a 19 mm sheet of Firewall plywood, which helps in timely people evacuation or counter the fire itself

06 | **Non-hygroscopic material to protect hardware elements:** Firewall plywood absorbs little moisture from the surroundings; this does not affect the hardware due to moisture affinity with common chemicals; it counters the delamination of plies

07 | **Structural integrity of panels:** The inherent strength of the wood and adhesives coupled with the nano-engineered treatment allows Century's Firewall plywood to maintain its structural integrity under fire

08 | **21-year warranty:** The brand comes with a 21-year warranty against borer and termite damage

09 | **Double money-back guarantee:** Should Firewall fail, the consumer will be entitled to double the cost incurred in purchase

WHAT OUR TRADE PARTNERS SAY ABOUT WORKING WITH US

"We have had a 26-year relationship with Century as its distributor. Tabiyaat khush hota hai dekh kar how the Company has grown. We also feel our yog-daan in their growth. The one thing that is becoming evident is that this partnership with Century is that of a lifetime with our next generation joining the business. Ek tarah se Century ne hamein baandh kar rakkha hain!"
- Brijesh Maheshwari, Varanasi Ply Agency, Varanasi

"We love doing business with Century kyuki yeh log apne channel partners ka bahut khayaal rakhte hai. They are always there for us." *- Raj Kumar, M.R Enterprises, Hyderabad*

"We have been working with Century for over 20 years. Retailers ke liye inke jo schemes hai woh bahut achche hai. We are impressed with the service of the Century team. Hum last 20 years Century ke saath the aur hum future mein bhi Century ke saath hi rahenge!"
- Sunil Kumar Dheer, Swastik Ply, Choolai

"Our relationship with Century is built on mutual benefit. Yeh keh sakte hai ke Century ke saath hum partnership nahi, rishtedaari nibha rahe hai!"*-Mahender Raheja, Raheja Enterprises, Noida*

“Century has such a reliable brand ke chaahe retailers ho, ya engineers, architects ya interior designers, sabko Century hi chaahiye! What I like about the Company is that it is approachable, aur humesha hamaari madad karte hai.”- *Mohamed Shafi, Ess Arr Laminates, Trichy*

“Century ka quality product range itna badhiya hai that whenever our customers come to our shop they usually ask for Century by name. Hum chaahte hai ke jab tak hum laminates ke business mein hai hum Century hi bechte rahain!”- *Raj Kumar Nemani, K Ply Home. Gorakhpur*

“Century’s product quality and service is at another level - inka zero claims is baat ka saboot hain. Hum proudly kehte hai ke hum Century ke saath kaam karte hai aur hum aage bhi karenge!”- *Dinesh Dhanotiya, Vinod Mercantile Pvt. Ltd., Indore*

“Saab, Century ki policies are good. Staff ne bhi hamaare saath bahut achche se co-operate kiya by giving us market support.”- *Atul Maheshwari, Maheshwari Trade Link, Sagar, Madhya Pradesh*

“Inki Virokill technology, jo surface viruses ko maarti hai, proved to be a big innovation that took the brand ahead. What I like best about the Company: its marketing team visits regularly and provides project and rate support. I hope ke hamaara Century ke saath rishta saalon tak chalein!”
- *Rajesh Jain, Arihant Ply House, Yavatmal*

“We have been working as Century’s distributors for 15 years. Customers’ mein bhi yeh brand bahut popular hai because of excellent quality. Hum chahte hai ki aage bhi humara association iske saath aise hi bana rahe! ”- *Ishwar Jhamtani, Global Enterprises, Pimpri*

BUSINESS VERTICAL

HOW OUR LAMINATES BUSINESS PERFORMED IN 2020-21

What makes Century's laminates different

- Colour fastness endures for years
- Carpenter-friendly
- Wide range of designs and cost
- Uniform thickness
- Proper back sanding

Overview

If there is one reason why Indian interiors appear more fashionable today than ever, it is due to the increased use of laminates.

Across the last decade-and-a-half, Century's laminates have played an important role in the transformation: since it entered the business, the Company has emerged among the three largest laminate players in India.

This is what has set the Company apart in a competitive space: the Centuryply trustmark has inspired the recall that 'It must be good'; the Company's products address European standards of design and quality; the Company is a market leader in the 1.0 mm laminate category; the Century brand addresses premium needs through value-added products (textured and exterior laminates); the Company provides a product for every need and pocket.

The Company was the first in India to introduce silver nanotechnology in producing laminates with anti-bacterial properties. The Company plans to test the product for anti-viral properties that can increase relevance in the prevailing pandemic-induced environment. Besides, Centuryply entered the 0.8 mm economy segment, addressing the price-sensitive segment. The Company leveraged its brand recall, consistently superior product standard and competitive pricing.

Performance, 2020-21

Century's laminates business accounted for 20% of the Company's revenues during the year under review (compared with 20% in the previous year).

The laminates business declined marginally by volume and value following the lockdown of the first quarter. Average realisations were largely maintained, validating the Company's commitment to market better products quality. In line with the Company's commitment to enhance product pedigree, the Company's A grade laminate output increased 227 basis points as a percentage of its overall production during the year under review.

Century's laminates business was affected at the start of the financial year under review on account of the pandemic-induced lockdown. The Company's laminates production was shut for nearly a month. The challenge was to resume production as soon as the government provided permission even with limited talent. Besides, the super cyclone Amphan affected production just when it appeared that the lockdown would be relaxed and demand would normalise.

The Company commenced operations with only 50 workers at 10% capacity utilisation in line with government guidelines of social distancing between workers, use of masks, thermal checking, daily plant sanitisation and the utilisation of skilled labour with corresponding quarantine facilities.

Besides, the Company took the delivery of all imported raw materials utilised in the manufacture of laminates from the ports coupled with adequate storage. Training was intensified and worker morale enhanced through a sensitive remuneration structure.

The result was that as soon as the lockdown was withdrawn, the Company increased output and achieved 63% production capacity from June 2020, rising to 97% by September 2020 and peak output in March 2021.

Highlights, 2020-21

The Company grew its laminates business around a swatch introduced in the previous financial year - the biggest launch in India's laminates industry. The Company had launched two laminate catalogues (Look Book 2019-20 and Star Line 2019-20), which were seen as trend setters in line with global prevailing patterns, comprising more than 1,000 SKUs, new laminate patterns and textures directed at home and workspace furniture.

The Company responded to a slowing market – when no competitors intended to launch new products – through the launch of the anti-virus laminate at no extra cost with the Virokill feature and the launch of the door size laminate (beyond the standard size available in the market) to make furniture fabrication more cost-effective.

It was observed that on a laminate surface, microbes multiplied rapidly in less than half an hour, resulting in stains, poor smell and surface ageing. A Centuryply, we infused our laminates with the Virokill feature, marked by a long-term surface resistance to harmful microbes. This feature, built around the unique Silver Nano technology, reduces bacterial and fungal growth by more than 99.9%, ensuring a germ-free environment that is considered ideal for kitchen tops and countertops, cabinets and table tops.

Outlook

In the last few years, home affordability increased on account of steady home prices and higher disposable incomes. The result is that the affordability of interior infrastructure products increased with a gravitation towards branded products and a marked decline in consumer price sensitivity.

It is in this respect that the relevance of laminates as a contemporary interior infrastructure product has increased: increased affordability, ambient temperature resistance, durability, scratch-and-fire resistance as well as anti-bacterial and anti-fungal properties. The fact that laminates are considerably easier to maintain make them an ideal surface decorative in high-maintenance interiors.

The market for laminates is growing on account of the erstwhile VAT of 14% and excise duty of 12% being unified into a 18% GST. The net effect of the reduction – cascaded down to consumers – has helped widen the market for organised players. As costs increased for unorganised players on account of mounting compliance, end product costs declined for organised brands, accelerating a shift from the consumption of laminates manufactured by unorganised to organised players. This trend is likely to sustain.

CASE STUDY

The Company engaged in the modernisation of equipment of all treated and resin maturations to eliminate the bleed through. The result was a sharp decline in defects that correspondingly increased the proportion of A grade laminates, strengthening average realisations.

6

% share enjoyed by Century's laminates of the organised sector in India

"Even though we have been associated with Centuryply as a Channel Partner for just five years in Chhattisgarh, our relationship cannot be measured on a defined scale. If there is one reason why we continue to do business with them it is because of 'zubaan ki keemat'. There is no going back on one's word. I have rarely come across a company that would treat its channel partners as family. Yeh to zindagi-bhar ka rishta ban gaya, saab!" - *Pradeep Lahoti and Navdeep Lahoti, Shiv Agency, Raipur*

"We are the Prime Retailer of Century Laminates; we also engage in panel and veneer business with them. Mere area mein Century bahut hi popular hain. Hum log hamesha Century Laminates folder apne counter pe rakhte hai for addressing customers. Inke material aur folder range kamaal ke hain!" - *Vikas Chopra, RVM Buildzone, Hubli, Karnataka*

What our trade partners have to say about the distinctive Centuryply experience

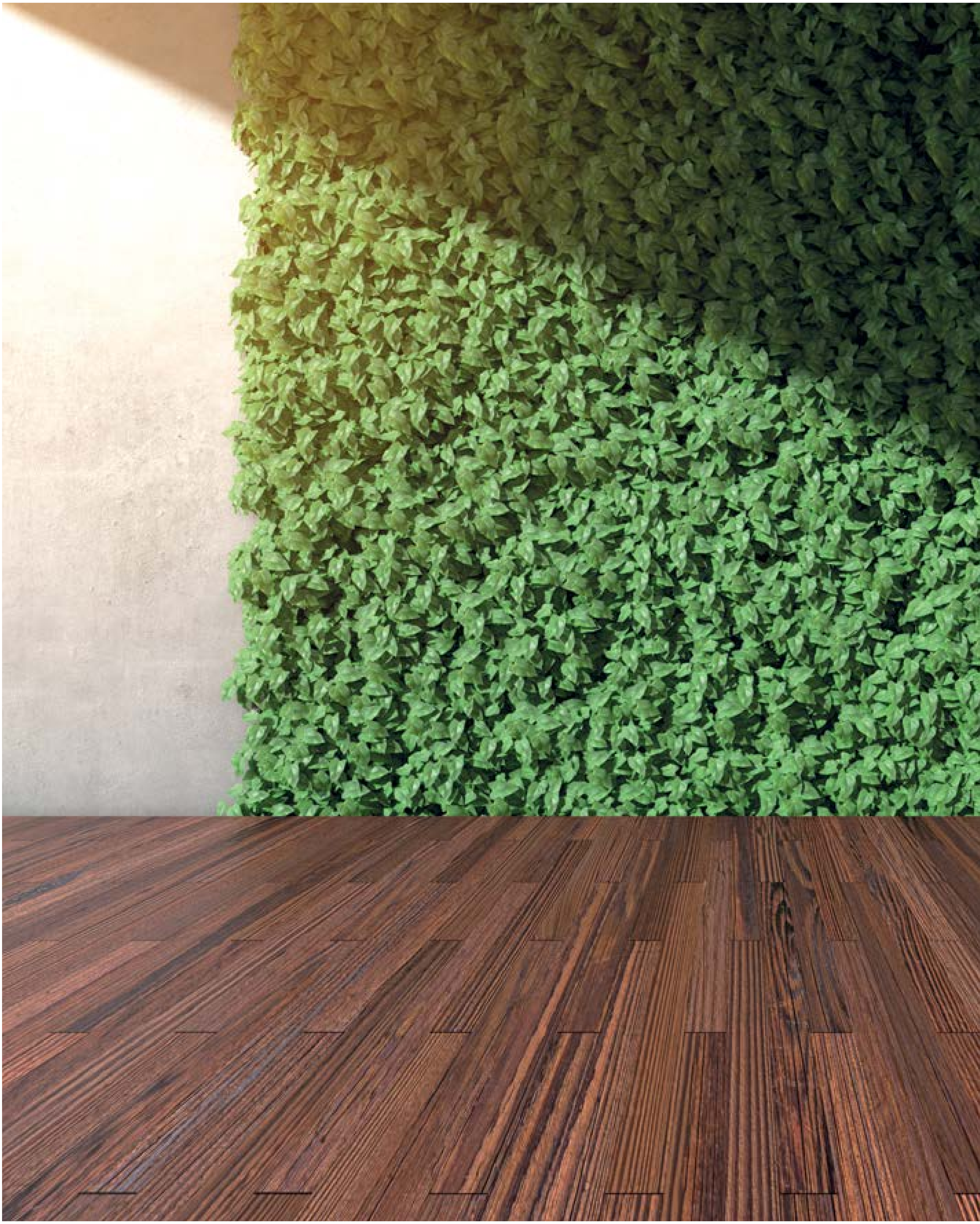
"Centuryply ke saath hamaara rishta puraana hai. Their laminate products are well known for quality, service, warranty and shades variety. Century ke saath kaam karna hamaare liye garv ki baat hai!"- *Yogesh Bang, Prithav Marketing, Nagpur*

"Maximum architects and engineers ko yeh hi brand chaahiye apne projects ke liye because of the shade collection and folder presentation. The Company's service is good: regular folder launch, stock availability, stock updating and sales involvement in sales."- *Veeresh Hiremath, Novelty Laminate World, Hubli*

"We have been on board with Centuryply as distributors for Century Laminates for five years. Century ke products bahut famous hai apni quality, achchi service, warranty aur zero claims ke liye. We have made good profits through their products. Hum Century jaise industry leader ke saath kaam kar rahe hai, yeh sochkar hi hamein proud feel hota hain!"- *Gaurav Sukheja, G.S Traders, Satna*

"We have been working with Centuryply for 19 years. Their product quality and range has been a big factor in its success. Hum chahte hai ke Centuryply aise hi top quality aur range ke products banaata rahe aur hamaare saath kaam karta rahein!"- *Bhaumik Thakkar, Bhaumik Trading Company, Ahmedabad*

"We have seen the journey of the Company from Century Mica to Century Laminates. When it comes to ethics, the Century team has set an example for others to follow. We love working with Century kyu ki yeh log humare growth ke baare mein bhi bahut sochte hai... just like family!"- *Birjot Singh, Chawla Plywood, Jalandhar*



NEW CENTURY

ENVIRONMENT

CENTURYPLY. ENGAGED IN MAKING WORLD-CLASS PRODUCTS IN A CLEAN AND 'GREEN' WAY

Overview

There is a greater priority today in being engaged in the manufacture of products that moderate the world's carbon footprint.

For the last number of years, the Company reinforced environment responsibility through the manufacture of products that moderated the role of block wood, our most fundamental contribution in protecting the earth's bio-diversity.

Product

The Company is engaged in the manufacture of products that have reduced block wood consumption and, in doing so, helped moderate felling of the earth's tree cover. By this definition, the core rationale of the Company's existence is environment-friendly.

Plantations

The Company works with resource providers who invested in superior seeds that translated into a better wood quality. The institutionalised plantations have increased the green area. The phased resource exploitation has helped moderate environment impact.

The 5R's

The Company deepened its commitment to the 5R's (reduce, recycle, restore, renewable and replace). This translated into a reduction in resource consumption through technology investments; it increased recycling that benchmarked the Company's compliance with regulatory requirements; it replaced inputs with a high carbon footprint with cleaner alternatives and invested in renewable energy.

The Company became the first in its industry to commission rooftop solar panels across all its seven manufacturing facilities (Joka, Guwahati, Kandla, Chennai, Karnal and Hoshiarpur). Following an extensive analysis, the Company invested in Solivo modules that harvest more power through the module-level power tracking technology. Solivo smart modules deliver 30% higher yield, increased reliability, lower maintenance costs, enhanced safety and remote monitoring.

This investment was validated from three perspectives – the need to moderate the Company's carbon footprint, the need to cap power costs and enhance the availability of power to within the Company's control. The result: the investments in renewable energy have proved to be win-win for the Company and world.

The Company launched its investment in solar energy in 2018 when it commissioned a 1 MW facility at the Chennai plant. Following that successful experiment, the Company commissioned additional solar energy capacities in its Kandla, Karnal, Guwahati and Hoshiarpur facilities. As of 31 March 2021, the Company's aggregate solar energy capacity was 6 MW, accounting for 20% of its total electricity requirement. The Company intends to enhance solar energy capacity at its Hoshiarpur, Kandla and Joka facilities.

BIG NUMBERS

Century's solar energy capacity (MW)

2017-18	2018-19	2019-20	2020-21
1.05	4.93	5.98	5.98

CENTURYPLY. SOCIALLY RESPONSIBLE.

The relevance of our CSR activities

23
% girls drop out of school every year due to lack of functioning toilets

1
In every 100 children under the age of 10 years that has autism in India

3-5
%, proportion of childhood cancer in total cancer cases in India

61
Out of 100 scheduled tribal students who finish senior secondary school, lowest among all communities

Overview

Corporate Social Responsibility is integral to Centuryply's business model.

Over the years, the Company has been involved in social welfare initiative for more than two decades and believes in making an impact to create a just, equitable, humane and sustainable society.

The Company's CSR initiatives are focused on education, healthcare, animal welfare and environmental sustainability. The Company's CSR initiatives also address the challenge of capacity building and securing sustainable livelihoods of marginalised / unprivileged sections of the society around its manufacturing units.

The Company's CSR represents an extension of its commitment to respond ethically and contribute to economic development, while improving life quality of the workforce, local communities and society at large.

HEALTH CARE

Marwari Relief Society: Provides support to the operations and running kitchen at the hospital

Dr Bholanath Chakraborty Memorial Trust: Provides support to medical research and treatment

Nature Care and Yoga Centre: Provides support to upgrade facilities in Nature Cure & Yoga Centres

Tata Medical Centre: Support to the hospital for treating cancer

CanKids...KidsCan: The Company has supported establishing a new centre in Kolkata and providing support to their day-to-day operations.

ANIMAL WELFARE

Calcutta Pinjrapole Society: The Company provided support for building a new hospital for the treatment of cows at Sodepur.

ENVIRONMENT

The Company supports farmers with the supply of eucalyptus clones under its Plantation Project

EDUCATION

Friends of Tribal Society: The Company adopts Ekal Vidyalayas in tribal areas

Udayan Care: The Company provides educational support to the girls for school / college / higher studies and vocational studies

Morning Glory School: The Company provides educational and support to children with mental retardation, autism and cerebral palsy.

Kurpai Unnayani Society: The Company provides financial assistance to educational infrastructure development

OTHERS

Indian Institute of Cerebral Palsy: The Company provides support for people with disabilities, particularly those with neuro-motor disabilities and cerebral palsy.

Help Us Help Them: The Company supported marginalised children addressed by this NGO

Central Kolkata Prerna Foundation: The Company supports the development and maintenance of cremation ghats

BOARD'S REPORT

Dear members

Your Directors are pleased to present the Company's Fortieth Annual Report and Audited Financial Statements (standalone and consolidated) for the Financial Year ended 31st March, 2021. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL PERFORMANCE

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31st March, 2021 is summarised below:

₹ in crore

Particulars	STANDALONE		CONSOLIDATED	
	2020-21	2019-20	2020-21	2019-20
Gross Income	2124.18	2293.76	2147.68	2329.79
Profit before Depreciation, Interest & Tax	334.25	315.17	341.02	292.43
Depreciation	62.63	67.55	68.65	76.31
Interest & Finance Charges	10.79	37.24	12.79	38.90
Profit before Tax	260.83	210.38	259.58	177.22
Tax Expenses	68.76	52.21	68.36	51.93
Profit after Tax	192.07	158.17	191.22	125.29
Attributable to:				
Owners of the Company	192.07	158.17	191.47	150.58
Non-controlling interests	-	-	(0.25)	(25.29)
Other Comprehensive Income (net of taxes)	(0.56)	(0.35)	(5.87)	18.31
Total Comprehensive Income for the year	191.51	157.82	185.35	143.60
Attributable to:				
Owners of the Company	191.51	157.82	185.46	168.89
Non-controlling interests	-	-	(0.11)	(25.29)
Opening balance in Retained Earnings	1018.62	914.37	1009.88	912.85
Adjustment with other equity	(0.56)	(0.35)	(0.28)	(0.34)
Adjustment on acquisition of subsidiary	-	-	-	0.37
Amount available for appropriation	1210.13	1072.19	1201.07	1063.46
Final Dividend- FY 2018-19	-	22.22	-	22.22
Tax on Dividend- FY 2018-19	-	4.57	-	4.57
Interim Dividend- FY 2019-20	-	22.22	-	22.22
Tax on Interim Dividend- FY 2019-20	-	4.57	-	4.57
Closing Balance in Retained Earnings	1210.13	1018.62	1201.07	1009.88

OVERVIEW OF THE COMPANY'S FINANCIAL PERFORMANCE

The standalone revenue from operations and Gross Income for Financial Year 2020-21 stood at ₹2113.48 crore and ₹2124.18 crore respectively, were both lower compared to the corresponding figures for Financial Year 2019-20 which stood at ₹2282.68 crore and ₹2293.76 crore respectively.

During the Financial Year ended 31st March, 2021, despite all odds arising on account of the Covid-19 pandemic, your Company recorded a Profit before tax of ₹260.83 crore as against ₹210.38 crore in the previous year, an increase of 24%. Net Profit after tax also increased by 21% at ₹192.07 crore compared to ₹158.17 crore in previous year. EBITDA margin was at 15.82% in FY 2020-21 as compared to 13.80% in FY 2019-20.

On consolidated basis, the revenue from operations for Financial Year 2020-21 at ₹2130.36 crore, was lower by 8% compared to previous year's figure of ₹2317.03 crore. Profit before tax and Profit after tax were higher by 46% and 53% respectively, compared to the previous year.

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

IMPACT OF COVID-19

Reflecting on 2020 one feels that COVID-19 was a lesson on life, that combined many learnings in one i.e. the fragility of life & uncertainty of future, the power of nature, what really matters and what does not in life and above all, the need to move on. The experience of this episode shall not only shape our social behavior going forward but will also impact how corporates and economies operate for years to come. It is well known that COVID-19 has not only been a public health crisis but has also severely impacted the economy in near term. The outbreak of COVID-19 pandemic has globally caused significant disturbance and slowdown of economic activity. In many countries, businesses were being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services, have triggered huge disruptions to businesses worldwide, resulting in an economic slowdown. The pace of recovery of global economic activity in the third quarter of 2020 on the back of pent up consumption demand and a new normal of work-from-home petered out in the fourth quarter. Renewed virus waves, emerging variants of the virus and consequently tighter lockdowns in several Western economies dampened the activity rebound. While Asian economies seem to have gained further pace, they also continue to remain impacted by the pandemic and its global macro-financial implications.

The pandemic's impact has been different on different sectors of the Indian economy. Agriculture was the least affected by the pandemic and is expected to grow at 3% as lockdown restrictions never prevented any on-farm activity. However, with a share of just over 16% in total Gross Value Added, agriculture could do little to cushion the overall performance of the economy. Both services and industry are expected to have suffered a contraction of slightly more than 8%. Even within services and industry, employment intensive sectors, such as trade, hotel and restaurants and construction, have suffered a bigger contraction in economic activity.

The construction and furniture sectors were both widely affected by the COVID-19 pandemic. Supply chain bottlenecks due to restriction on the supply of raw materials like steel and glass also impacted the industry. Moreover, the reduction in the number of labour and financial losses due to delay in funded projects, adversely affected the construction sector, hindering the growth of wood based panel industry.

During the initial phase of lockdown, the Indian plywood market also witnessed a downfall. The production in this industry reduced drastically after the exodus of the migrant workforce started during the lockdown. As the restrictions were uplifted, the migrant workers returned and the production gained momentum. The industry started reviving and gained their growth strength and grip over the market by the end of the financial year 2020-21.

Unfortunately 2021-22, didn't begin well, with at least some restrictions imminent on account of the ongoing second wave of the Pandemic.

The escalating second wave of coronavirus infections has resulted in states and cities imposing localized partial lockdowns, which is expected to hurt the economic recovery that was underway. However, the low coronavirus death counts and mammoth vaccination drive is expected to push the GDP growth back up. The International Monetary Fund (IMF) in April, 2021 upgraded its FY22 growth projection for India to 12.5% from 11.5% estimated in January, 2021, but cautioned that the forecast hasn't factored in the severe downside risks arising from the country's ongoing second wave of COVID-19. According to the Central Bank, the biggest toll of the second wave is in terms of a demand shock. Loss of mobility, lower discretionary spending, lack of employment and inventory accumulation are some of the factors that indicate weaker demand during the second wave in India.

Your Company's operations were also adversely affected on account of suspension of production and distribution facilities across India during the beginning of FY21. The Company's operations resumed partially from first week of May 2020 at various locations across India after taking requisite measures for ensuring safety and well-being of employees and workers. From June 2020 onwards, operations returned to normalcy amidst all required protective measures. Amid the challenging environment, impacted by COVID-19 pandemic, the Company undertook several measures to shore up liquidity and weather the demand shocks. After ensuring safety of all our employees, the Company embarked upon on a four pronged action during the lockdown phase and immediately thereafter:

- Connect back with our key stakeholders viz. dealers and contractors over VC & phone calls. Our teams reached out to all of them in a consistent manner.
- Rolled out the new 'go-to-market' (GTM) guidelines for our sales team. The focus of the new GTM was physical scouting for demand generation backed up with a Sales Force Automation (SFA) tool. The entire roll out, training on GTM and of the SFA were done in remote mode over VCs.
- Consistent development of safe features for our plywood and laminates.
- Invested back in the brand building by continued advertising on mass media channels

IMPACT OF AMPHAN

On 20th May, 2020, a super- cyclone 'AMPHAN' struck the district of South 24 Parganas in West Bengal leading to extensive damage to the factory shed and building at the Company's Joka factory near Kolkata. The plywood manufacturing set-up had to be partly shut down for a few days. Production resumed after carrying out required repairs and re-installations.

DIVIDEND

Based on the Company's performance and in conformity with its Dividend Distribution Policy, the Directors are pleased to recommend for approval of the Members a final dividend of ₹1/- per equity share of face value ₹1/- each for the financial year ended 31st March, 2021.

With this, the Company continues to balance the dual objective of appropriately rewarding Members through dividends and retaining sufficient funds to support the long term growth of your Company. The Final Dividend, subject to approval of Members at the ensuing Annual General Meeting, will be paid within the statutory period.

The Dividend Distribution Policy of the Company is annexed to this Report as Annexure '6' and is also available on the Company's website at: https://www.centuryply.com/codes-policies/CPIL-Dividend-Distribution-Policy.pdf.

TRANSFER TO RESERVES

The Reserves and Surplus of your Company has increased to ₹1242.63 crore in the year 2020-21 as compared to ₹1051.13 crore in the year 2019-20. Your Directors have proposed not to transfer any sum to the General Reserve during the Financial Year 2020-21.

SHARE CAPITAL

As on 31st March, 2021, the Company's paid-up Equity Share Capital was ₹22,25,27,240/-comprising of 22,21,72,990 Equity Shares of Face Value of Re. 1/- each and ₹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, 2021. During the Financial Year 2020-21, your Company has neither issued any shares or convertible securities nor has granted any stock options or sweat equity.

INDIAN ECONOMY AND STATE OF AFFAIRS

The year 2020 witnessed unrivalled turmoil with the novel COVID-19 virus and the resultant pandemic emerging as the biggest threat to economic growth in a century. COVID-19 struck India at a time when the underlying economic conditions were subdued on account of heightened global uncertainty and stress in the domestic financial system. Against this backdrop, a stringent national lockdown to slow the spread of the pandemic started in the last week of FY20 and remained active to varying degrees in different geographies through most of the Q1 of FY21. This resulted in an estimated annual contraction of 8% in Gross domestic product (GDP), making FY21 one of the worst years in terms of economic performance in India. India's GDP re-entered growth territory in the quarter ending December 2020, showing definite signs of recovery, amidst easing of restrictions.

India has faced the COVID-19 situation with fortitude and a spirit of self-reliance. India has demonstrated how it rises up to challenges and uncovers opportunities therein. Through this year, as India bravely fought the global pandemic, it charted its own unique trajectory – showing remarkable resilience, be it fighting the virus or ensuring economic recovery. Revitalized inter and intra-state movement along with a sustained spurt in industrial and commercial activity heralded the economy's returning to normalcy. The Government adopted a proactive approach in dealing with the pandemic by introducing a slew of reforms to prevent the cascading effect of economic disruptions which occurred during the first and second quarters. The Government introduced AtmaNirbhar Packages which accelerated the Country's pace of structural reforms. Redefinition of MSMEs, collateral-free automatic loans for businesses, including MSMEs, Commercialisation of the Mineral Sector, Agriculture and Labour Reforms, Privatisation of Public Sector Undertakings, One Nation One Ration Card, and Production Linked Incentive Schemes are some of the notable reforms carried out during this period. Faceless Income Tax Assessment, relaxation in Statutory and Compliance matters and decriminalisation of the Companies Act, 2013 are the others. Digital Technology has been the 'sprint runner' of this year that enabled the nation to tide over the disruptive effects of the pandemic.

While there was a 23.9 per cent contraction in GDP in first quarter, the recovery has been a V-shaped one. Contraction in GDP narrowed to 7.5 per cent in Q2 as economic activity picked up. As per NSO's Second Advance Estimates, a real GDP growth of 0.4 per cent in Q3 of 2020-21 has returned the economy to the pre-pandemic times of positive growth rates. It is also a reflection of a further strengthening of V-shaped recovery that began in Q2 of 2020-21. This recovery was evident across all key economic indicators like power demand, rail freight, E-Way bills, Goods and Services Tax (GST) collection, steel consumption, etc. Budget 2021-22 has also adopted an expansionary fiscal policy with an emphasis on capital expenditure to boost economic growth.

Economic activity in India has gathered pace with mild stiffening of the COVID-19 curve failing to deter a steady uptick in consumer sentiment, which has been bolstered by the inoculation drive. Positive GDP growth in Q3 of FY 21 – for the first time since the onset of the pandemic – added to the positive sentiment as the economy closed the year with activity levels higher than measured in the second advance estimates of GDP.

On the supply side, agriculture and allied activities are clearly demonstrating resilience in the face of the pandemic with a normal monsoon, a bumper crop and government support in the form of MGNREGA and PM-KISAN allocations, along with record procurement in 2020 supporting rural incomes. Manufacturing activity continues its resurgent journey on the back of sales and output recovery and the Government's Atmanirbhar Package stimulus facilitating growth prospects and business sentiment. The beneficial wealth effect of booming equity markets are enabling consumption abilities of households with exposure to them. With rising capacity utilization, stronger demand conditions and relatively moderate costs, operating profits are rising across the board.

The year 2020 was meant to be a year of recovery for the Indian real estate sector, especially the housing segment. After three years of business disruptions caused by demonetisation, implementation of GST, realty law RERA and the NBFC crisis, the market had started stabilising. But all hopes were thwarted as the COVID-19 global pandemic hit India, forcing the government to impose a national lockdown from March 25 for over two months to curb the spread of the deadly disease. Instead of recovery and growth, 2020 brought more pain and distress in the realty sector, shaving off 40-50% of business in the residential segment from an already low base. All real estate activities came to a sudden halt in late March with the lockdown. Although the economy started to unlock from June onwards, the situation remained grim through September as construction activities were stalled because of labour paucity, while sales were down on account of concerns over economic growth. The threat of job losses loomed large, which had a major dampening effect on consumer sentiment.

Housing sales began to improve from October onwards due to pent up demand. The softening of interest rates on home loans to around 7%, reduction in stamp duty on registration of properties and rock bottom housing prices coupled with attractive special offers from cash-starved developers were positive factors that paved buyers' return to the market, though at a slower pace. The reverse migration, caused by the rise of the remote working culture, led to the emergence of heightened demand for homes in tier-2 and tier-3 cities, including rentals.

Central Government also announced various measures to help the real estate sector survive this unprecedented health crisis. These included invoking the 'Force Majeure' clause under the RERA to extend project completion deadlines by 6-9 months, the extension of interest subsidy for the middle-income group and relaxing tax rules to allow sales of homes valued up to ₹2 crore at a 20% discount to circle rate. At the macro level, the grounds for a likely surge in demand for residential housing and commercial space in the months to come are not hard to foresee as they are linked to a possible upsurge in economic growth.

Significant recoveries in manufacturing and construction sectors have acted as a positive light at the end of the tunnel as these sectors are further expected to grow in FY 22. Real GVA in manufacturing has improved from a contraction of 35.9 per cent in Q1 to a positive growth of 1.6 per cent in Q3 while in construction the recovery has been from a contraction of 49.4 per cent in Q1 to a positive growth of 6.2 per cent in Q3. These sectors are vital to the economy to achieve a growth of 11 per cent or more in 2021-22.

With fast roll out of vaccination, persistent stimulus measures under AtmaNirbhar Bharat and special thrust of Union Budget on health and well-being among others, macroeconomic configurations have been undergoing the necessary reorientation towards normalcy, thereby reviving consumer confidence and brightening business outlook of manufacturing, services and infrastructure. The pick-up in construction activity, with its wide array of backward and forward linkages, is also slowly developing into a critical growth lever of the economy.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year 2020-21 and the date of this report. The Company is virtually debt free and has adequate liquidity to meet its business requirements. The management believes that it has considered all the possible impact of identified events arising from COVID-19 global health pandemic in the preparation of financial statements. However, the impact assessment of COVID-19 pandemic is a continuous process given the uncertainties associated with its nature, extent and duration. The management shall continue to monitor any material changes to future economic conditions on a continuing basis which may affect the financial performance of the Company.

FUTURE OUTLOOK

In the past decades, the expenditure on furniture has increased as a result of increasing incomes, urbanisation, investment in real estate, western influence, etc. Moreover, the introduction of new designs and diverse product range of furniture have further helped in creating a demand among the consumers. Expanding distribution network and exclusive outlets of furniture manufacturers in the region has also helped in influencing the market for plywood. Amid the COVID-19 crisis, the global market for Plywood estimated at US$49.7 Billion in the year 2020, is projected to reach a revised size of US$84.5 Billion by 2027, growing at a CAGR of 7.9% over the period 2020-2027.

The Indian plywood market is primarily driven by the growing number of construction activities and the expanding home furnishing sector. The Indian plywood market reached a value of INR 222.5 Billion in 2020 and is expected to grow at a CAGR of 4.3% during 2021-2026. Growing preference for traditional furniture in bedrooms and living rooms has furthermore steered the wood based panel market demand over the years.

The year 2020 brought forth many changes that will shape future trends in the marketplace for numerous industries. This is especially true in the furniture industry, where trends come and go in both style and substance as well as in the way furniture is marketed to consumers. The pandemic has given rise to new market trends and with a large percentage of employees working remotely, the demand for home-office furniture has almost tripled. 2021 for the furniture industry will be interesting, to say the least. Consumer wants and needs have changed drastically over the last year, and while they, of course, will always need furniture, the way they shop for it, presents new challenges for the industry.

In the post-pandemic context, the budget has also substantially enlarged the spending envelope in sectors like infrastructure creation for pump-priming economic growth. The economy looks well set on its pathway to recovery and revival and the roadmap that the government is charting, particularly in terms of the well-received recent budget have made the right moves towards this end. Despite the second wave of coronavirus, the recovery in economy is resilient with sustained improvement in majority of high frequency indicators.

Keeping in mind the changing shopping trends, Century Ply had launched its online shopping platform 'CenturyPly e-shop' across the Country. The e-shop enables a seamless buying experience for the consumers allowing them to buy directly from the Company's website. Consumers are assured regarding authenticity and quality of the products and are saved from getting duped because of presence of duplicate products in market. The Company also forayed into the Indian e-commerce platform by associating with e-commerce giants, Flipkart and Amazon. This was a first-of-its-kind association where the country's leading building material company has stepped into the e-commerce service to leverage the spike in online shopping and digital consumption amidst the pandemic.

The positive impact on real estate with the pre-budget sanction of ₹25000 crore by the government for completion of 1600 stalled projects and extension of exemptions for affordable housing during budget promises to provide some kinetic energy to the snail paced sector. After Budget, the growing positivity in markets is also helping the producers and traders to expand the product variety and network. Post Budget of 2021-22, what looks imminent is a huge possibility of building material consumption with growth in construction of new highways and public facilities because government is committed to spend big with huge capital expenditure. Healthcare, Railways, Education, Warehousing and booming Industrial growth are going to be immediate demand drivers. This budget is certainly a booster shot, which will be evident with speedy growth. Threshold for the deeming of stamp duty value for transfer of specified residential units by the real-estate developer has been increased from 10% to 20%. It is expected that given the present circumstances, plywood and particle board market will grow by 16%, Decorative laminate by 12% and MDF by 20% in FY22.

The demand for wooden furniture in the Indian market is mainly driven by the residential sector. Nowadays, consumers are replacing their furniture more frequently than in the past, which is largely due to increasing standards of living and a steady increase in disposable income across the board. These are some of the factors driving the continuous growth of the Furniture market. Moreover, aesthetic reasons coupled with the need for consumers to be comfortable in their apartment, as evidenced by the Living Room and Dining Room segment being the largest segment of the Furniture market, and the adoption of online shopping are major contributing factors to the constant growth of the market.

The global wood based panels market has been segmented on the basis of product and application. The product segment is classified into MDF, HDF, OSB, particleboard, softwood, plywood, and others. The application segment is divided into construction, furniture and packaging. The construction segment is further bifurcated into floors & roofs, windows & doors, siding, and others. Similarly, the furniture segment is sub-segmented into residential and commercial.

Globally, MDF accounts for the largest market share of around 45% in the overall wood based panels market and this is also expected to witness high growth rate over the coming years. This is attributed to the broad application used in vertical and horizontal wood based panels across the construction industry. The versatility of the product and its wide range of applications in the construction industry make it a likely contender. High demand for MDF products used for manufacturing flooring, furniture, and cabinetry, is projected to drive the overall market.

FUTURE PLANS OF EXPANSION

The Company's Medium Density Fiber (MDF) Board unit at Hoshiarpur in Punjab with an installed capacity of 198000 CBM per year, attained full capacity utilisation during FY 2020-21. With growing demand for the Company's MDF board, the Company has initiated steps for expansion of capacity of this unit at a CAPEX of approx. ₹200 Crore. Post expansion, the capacity of this unit would increase to 330000 CBM per year. The Company is also in the process of setting up a new unit in the State of Punjab for manufacturing of veneer and plywood with a capacity of 60000 CBM per year at a CAPEX of approx. ₹75 Crore. This is expected to be operational within the first quarter of FY 2022-23.

The newly set-up veneer manufacturing unit of the Company's wholly owned subsidiary Century Gabon SUARL at Gabon in Africa also started its commercial production on 8th February, 2021 with an operating capacity of peeling 200 CBM of timber per day. This unit has the advantage of availability of abundant Okoume timber required for production of face veneer. This unit will serve as a backward integration for securing availability of raw material for Century Ply.

The Company's wholly owned Subsidiary, Century Panels Ltd. has also initiated steps for setting up a new unit in the state of Andhra Pradesh for manufacturing of MDF boards with a capacity of 231000 CBM per year at a CAPEX of approx. ₹500 Crore. This is expected to be operational within the first quarter of FY 2023-24.

The Company's proposed capex plans for setting up a Particle Board and MDF unit in Uttar Pradesh has got on hold, pending decision of the National Green Tribunal which had quashed all provisional licenses issued by the Uttar Pradesh government for establishing new wood-based industries in the State.

Traditionally the Company has been operating in premium or upper segment of plywood market. However, the value segment (₹80-100 per sq. ft. at consumer price) is the largest segment and is 4 to 5 times the size of the premium segment. With Government's focus also shifting towards affordable housing, the value segment will drive the future growth of the Company. The Company with its economy segment product like 'Bond710', 'Sainik' and 'Sainik710' is constantly increasing its capacities and penetrating the mid-market and affordable segments. Our value product Sainik 710 has grown by 19% on a year on year basis and now contributes to almost 16.5% of the total mix. The Company continues its focus on the premium segment and is investing heavily on brand positioning for ensuring that the Centuryply brand occupies a distinct position, relative to competing brands, in the mind of the customers.

With operation of two Container Freight Stations, your Company already has a marked presence in the logistic segment. The Company is exploring the possibilities of widening its product offerings in this segment with activities like cargo handling, stevedoring, Steamer Agency businesses and reconstruction/ rejuvenation of Ports.

CHANGE IN NATURE OF BUSINESS, IF ANY

There has not been any change in the nature of business of the Company during the FY ended 31st March, 2021.

SUBSIDIARIES

CHANGES IN SUBSIDIARIES

As on 31st March, 2021, your Company had 11 subsidiaries and 3 step-down subsidiaries. These subsidiaries were 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., Century Panels Ltd., Centuryply Myanmar Pvt. Ltd., Century Ply (Singapore) Pte. Ltd. and Century Gabon SUARL and step-down subsidiaries were Asis Plywood Ltd., Century Ply Laos Co. Ltd., Century Huesoulin Plywood Lao Co., Ltd. There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013.

During the year, the Company's shareholding went up marginally in its overseas subsidiary Century Ply (Singapore) Pte. Ltd. from 90.60% to 90.65% owning to further allotment of shares to it. Further, the Company approved a proposal to acquire the remaining 39.94% of the share capital of its subsidiary company 'Century Infotech Ltd.' from other shareholders.

Your Company does not have any material subsidiary whose net worth exceeds 10% of the consolidated net worth of the Company in the immediately preceding financial year or has generated 10% of the consolidated income of the Company during the previous financial year.

OPERATIONS

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

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.

Considering the increasing demand for MDF, Century Panels Ltd. has initiated steps for setting up a new unit in the state of Andhra Pradesh for manufacturing of Medium Density Fiber boards (MDF) with a capacity of 231000 CBM per year at a CAPEX of approx. ₹500 Crore. This is expected to be operational within the first quarter of FY 2023-24.

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 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. Its operations are however currently suspended. Century MDF Ltd. and Asis Plywood Ltd. are presently not operational.

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 with plant and machinery for manufacture and supply of veneer and plywood to it.

Century Gabon SUARL has started its commercial production on 8th February, 2021 with an operating capacity of peeling 200 CBM of timber per day. This unit has the advantage of availability of abundant Okoume timber required for production of face veneer. This unit will serve as a backward integration for securing availability of raw material for Century Ply.

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. However, due to administrative restrictions imposed by the Laos Government, the operations of these step-down subsidiaries and consequently that of Century Ply (Singapore) Pte. Ltd. remained suspended during the financial year under review.

In the wake of Covid-19, the Company's Subsidiaries had suspended their production and distribution facilities temporarily and moved to 'work from home' policy for all its employees at the beginning of the current financial year, adhering to the guidelines issued by the governing authorities of the respective countries. Gradually, with the changing directives, they became fully operational from first week of June after taking requisite measures for ensuring safety and well-being of employees and workers.

POLICY ON MATERIAL SUBSIDIARIES

The Company's policy for determining material subsidiaries in accordance with Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') is available on the website of the Company at https://www.centuryply.com/codes-policies/CPIL-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.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement in Form No. AOC-1, containing the salient features of financial statements of the Company's subsidiaries 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 no. 47 of the Consolidated Financial Statement.

ACCOUNTS

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries for FY 2020-21 are prepared in compliance with the applicable provisions of the Companies Act, 2013 and as stipulated under Regulation 33 of the Listing Regulations as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015.

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015 and other applicable provisions and Regulation 34(2) of Listing Regulations, the Consolidated Financial Statements of the Company and its subsidiaries for FY 2020-21 along with Auditor's Report thereon forms part of this Annual Report.

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, Annual Report of the Company, containing therein its standalone and consolidated financial statements along with relevant documents and separate audited financial statements in respect of each of the subsidiaries, are available on the website of the Company, www.centuryply.com under the 'Investors' section.

The Financial Statements along with audit reports thereto in respect of the Company's subsidiaries are available for inspection by the Members 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. 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.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2021, are set out in Annexure '2' hereto and forms a part of this Report.

The aggregate of loans, guarantees given and investments made by the Company in accordance with Section 186 of the Companies Act, 2013, does not exceed the higher 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.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions with related parties, entered into or modified by the Company during the Financial Year 2020-21, were on an arm's length basis and not 'material'. The said transactions with Related Parties were entered into for the benefit and in the interest of your Company and its stakeholders. These transactions were inter alia based on various considerations such as business exigencies, synergy in operations, the policy of the Company and resources of the Related Parties. There was no material related party transaction made by the Company during the year requiring shareholders' approval under Regulation 23(4) of the Listing Regulations or Section 188 of the Companies Act, 2013 read with Rules made thereunder. The approval of the Audit Committee was sought for all related party transactions. Certain transactions which were repetitive in nature were approved through omnibus route. A statement of transactions entered into pursuant to the approvals so granted is placed before the Audit Committee and the Board of Directors on a quarterly basis. All the transactions were in compliance with the applicable provisions of the Companies Act, 2013 and 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(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable.

The Related Party Disclosures in terms of Regulation 34(3) read with Part A of Schedule V of the Listing Regulations is provided under note no. 41 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.

The Company, in terms of Regulation 23 of the Listing Regulations submits within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges. The said disclosures can be accessed on the website of the Company, https://www.centuryply.com.

Your Company's Policy on materiality of and dealing with Related Party Transactions as formulated and adopted by the Board of Directors in terms of Regulation 23(1) of the Listing Regulations, may be accessed on the Company's website at: https://www.centuryply.com/codes-policies/Policy-on-Materiality-of-and-dealing-with-related-party-transcations.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.

PUBLIC DEPOSITS

During the Financial Year 2020-21, the Company has not invited, accepted or renewed any public deposits 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

M/s Singhi & Co, Chartered Accountants (ICAI Firm Registration No. 302049E) has been your Company's Auditors since 2014. In terms of the provisions of Section 139 of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014, as amended, the Members at the Thirty-Eighth Annual General Meeting (AGM) held on 4th September, 2019, approved their re-appointment as Statutory Auditors of the Company for a second term of five consecutive years, i.e., from the conclusion of the Thirty-eighth AGM until the conclusion of Forty-third AGM to be held in the calendar year 2024. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 7th May, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM. The Statutory Auditors were present in the last AGM.

Pursuant to Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Singhi & Co have represented that they are not disqualified and continue to be eligible to act as the Auditor of the Company. M/s. Singhi & Co. have also confirmed that they have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of ICAI as required under Regulation 33(1)(d) of the Listing Regulations.

STATUTORY AUDITORS' REPORT

The Statutory Auditors' Report "with an unmodified opinion", given by M/s. Singhi & Co, on the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2021, is appended in the Financial Statements forming part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditor in their Report for 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 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, the Board had appointed M/s MKB & Associates, a firm of Company Secretaries in Practice, as Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2020-21. The Report of the Secretarial Audit in Form MR-3 is appended hereto as Annexure '3'.

The said Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

No frauds have been reported by the Statutory Auditor or the Secretarial Auditor of the Company during the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

I. INDEPENDENT DIRECTORS:

(a) CHANGES IN INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 149 and 152 read with Schedule IV of the Companies Act, 2013 and the Rules made thereunder, the shareholders at the Annual General Meeting held on 9th September, 2020 inter alia, confirmed appointment of Sri Amit Kiran Deb (DIN: 02107792) as an Independent Director with effect from 1st April, 2020 to 30th September, 2023.

Sri Santanu Ray (DIN: 00642736) ceased to be a Director on 31st March, 2021 upon completion of his second term as Independent Director. The Board places on record its appreciation for his invaluable contribution and guidance. In terms of Section 149(11) of the Companies Act, 2013, no Independent Director shall hold office for more than two consecutive terms.

Based on recommendation of Nomination & Remuneration Committee, the Board of Directors at its meeting held on 9th February, 2021, appointed Sri Naresh Pachisia (DIN: 00233768) as an Additional Director in the Independent category, with effect from 1st Àpril, 2021 for a term of three years ending on 31st March, 2024, subject to approval of the shareholders of the Company at the ensuing Annual General Meeting. The Board of Directors of your Company recommends his appointment.

The Company had received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Sri Naresh Pachisia for the office of Independent Director of the Company.

The Company had also received from Sri Naresh Pachisia (i) consent to act as Director in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) declaration to the effect that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act, Rules thereunder and under the Listing Regulations.

The detailed profile of Sri Naresh Pachisia and particulars of his experience, skill and attributes that qualify him for Board Membership together with other details as required under the Companies Act, 2013, Secretarial Standards and Listing Regulations, are given in the explanatory statement attached to the Notice of the ensuing Annual General Meeting. His appointment is subject to the approval of shareholders.

(b) DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 (7) of the Companies Act, 2013 read with Rules made thereunder and in terms of Regulation 25(8) of Listing Regulations, the independent directors have submitted declarations confirming that:

i. they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and that during the year, there has been no change in the circumstances affecting their status as an Independent Director.

ii. in terms of Regulation 25(8) of the Listing Regulations, they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Independent Directors have complied with the Code of Conduct as formulated by the Company and also with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013

Further, in terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have also confirmed compliance with the provisions of Rule 6(1) and 6(2) of the said Rules with respect to inclusion of their names in the Independent Director's database maintained by the Indian Institute of Corporate Affairs at Manesar.

In terms of Regulation 25(9) of the Listing Regulations, the Board of Directors has ensured the veracity of the disclosures made under Regulation 25(8) of the Listing Regulations by the Independent Directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company and save and except one transaction as detailed in Note no. 41(b) of the Notes to the Financial Statements.

(c) FAMILIARISATION PROGRAMME

Your Company believes that a Board which is well informed will contribute significantly to management of current and potential strategic issues. Pursuant to provisions of Regulation 25(7) of the Listing Regulations and Schedule IV of the Companies Act, 2013, the Company has a structured programme for orientation and training of Independent Directors so as to enable them to understand the Company - its operations, business, industry and environment in which it functions. The programme is designed to enable the Independent Directors to play a meaningful role in the overall governance processes of the Company. 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.

A detailed overview of the Company's familiarisation program can be accessed through web-link: https://www.centuryply.com/codes-policies/Familiarization-Programme-for-Independent-Directors.pdf.

Your Company conducted a familiarisation programme for all its Independent Directors wherein presentation was made by a competent professional giving an in-depth analysis of the latest amendments in the provisions relating to Corporate Social Responsibility and other amendments in Companies Act and various SEBI Regulations. The details of such Familiarisation programme for the Independent Directors conducted during the year under review has been uploaded on the website of the Company and is available at the web-link: https://www.centuryply.com/investor-information/Familiarization-Programme-Details_2020-21.pdf.

Presentations, during Board Meetings, were also made by the Company Secretary giving an in-depth analysis of the regulatory amendments and requirements of the Companies Act and various SEBI Regulations. The senior management and functional heads of your Company periodically makes presentation to apprise the Independent Directors of the domestic/ overseas industry scenario, business model of the Company and its strategic priorities.

Further, at the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities. Newly appointed Independent Directors are provided an introductory kit containing Memorandum and Articles of Association of the Company, organisational structure, set of major statutory and internal policies of the Company, Board and Committee structure and details about the Company's subsidiaries. Independent Directors are provided with necessary documents/brochures, reports and policies to enable them to familiarize with the Company's procedures and practices. Inter-active sessions with Board and Committee members, Business and Functional Heads are also organised for the Independent Directors.

Your Company hosts site visits to the Company's factory locations for the Independent Directors to enable them to understand the operations of the Company. 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. Apart from this, each Director of the Company has complete access to information relating to the Company. Independent Directors have the freedom at all times to interact with the Company's management.

(d) STATEMENT REGARDING INDEPENDENT DIRECTOR

The Board opined that your Company has been fortunate over the years to have experienced persons from diverse fields as Independent Directors on its Board. In the opinion of the Board, the Independent Directors are highly skilled and their expertise provides a unique contribution to the Board's overall effectiveness. Further, the Independent Directors maintained high standard of ethics and demonstrated highest level of integrity including maintaining utmost confidentiality and identifying, disclosing and managing conflicts of interest.

II. NON- INDEPENDENT DIRECTORS:

(a) CHANGES IN NON-INDEPENDENT DIRECTORS:

The Board of Directors at its meeting held on 9th February, 2021, appointed Sri Rajesh Kumar Agarwal (DIN- 00223718) as an Additional Director in the Executive category with effect from 9th February, 2021 for a period of three years subject to approval of the shareholders of the Company at the ensuing Annual General Meeting.

The Company had received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Sri Rajesh Kumar Agarwal for the office of Non-independent Director of the Company.

The Company has received from Sri Rajesh Kumar Agarwal (i) consent to act as Director, if appointed, in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013.

Sri Rajesh Kumar Agarwal is the son of Late Hari Prasad Agarwal, erstwhile Vice– chairman and Executive Director. He has already been working with the Company as President-Admin/IT/ Purchase/Logistics. The Board of Directors of your Company recommends his appointment.

The Board regretfully report the sad demise of Sri Hari Prasad Agarwal, Vice – chairman and Executive Director of the Company on 18th December, 2020. The Board further expresses its heartfelt condolences for his untimely death and wishes to put on record their sincere and deep appreciation for his invaluable guidance and contribution from time to time in building up the Company's growth.

(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, being longest in office, retire by rotation, and being eligible, offer their candidature for re-appointment as Directors. In view of their considerable experience and contribution to the Company, the Board recommends their re-appointment. Their detailed profiles and particulars of experience, skill and attributes that qualify them for Board Membership together with other details as required under the Companies Act, 2013, Secretarial Standards and Listing Regulations, are given in the explanatory statement attached to the Notice of ensuing Annual General Meeting of the Company.

III. KEY MANAGERIAL PERSONNEL

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 10th November, 2020 reappointed Sri Keshav Bhajanka as an Executive Director of the Company for a further period of five years with effect from 28th January, 2021; Sri Sajjan Bhajanka was reappointed as Chairman and Managing Director of the Company for a further period of five years with effect from 1st April, 2021; Sri Sanjay Agarwal and Sri Ajay Baldawa, were reappointed as CEO & Managing Director and Executive Director (Technical) respectively for a further period of five years with effect from 1st July, 2021.

The Board, further at its meeting held on 9th February, 2021, on recommendations made by the Nomination and Remuneration Committee, appointed Sri Rajesh Kumar Agarwal as an Executive Director of the Company for a period of three years, with effect from 9th February, 2021. All the aforesaid appointment/ re-appointment are subject to approval of the shareholders at the ensuing Annual General Meeting.

Since Sri Sajjan Bhajanka would be attaining the age of 70 years on 3rd June, 2022, his re-appointment for a term of five years is subject to approval of the shareholders by way of a special resolution. His reappointment is further subject to compliance of Regulation 17(1B) of the Listing Regulations which is scheduled to become effective on 1st April, 2022, where upon, Sri Bhajanka shall, at his discretion, opt to continue either as the Chairman or as Managing Director of the Company. The Board of Directors of your Company accordingly recommends his reappointment.

Sri Hari Prasad Agarwal, Vice – chairman and Executive Director of the Company left for heavenly abode on 18th December, 2020.

Apart from the above, there has not been any change in Key Managerial Personnel during the Financial Year ended 31st March, 2021.

IV. INTER-SE RELATIONSHIPS BETWEEN THE DIRECTORS

None of the Directors of the Company are 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.

MEETINGS

MEETINGS OF BOARD OF DIRECTORS

During the year under review, the Board met four times, i.e., on 26th June, 2020, 12th August, 2020, 10th November, 2020 and 9th February, 2021. The details of the Meetings held during the year are given in the Corporate Governance Report forming part of the Annual Report.

MEETINGS OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met once on 14th January, 2021 without the presence of Non-Independent Directors and members of the Management, inter alia to:

- Review the performance of Non-Independent Directors, the Board as a whole and that of its Committees;
- Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Assess the quality, content and timeliness of flow of information between the Company's management and the Board which is necessary for the Board to effectively and reasonably perform its duties.

MANAGERIAL REMUNERATION

PARTICULARS OF MANAGERIAL REMUNERATION

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as Annexure '4'. Your Directors state that none of the Executive Directors of the Company received any remuneration or commission from any of its Subsidiaries.

PARTICULARS OF EMPLOYEES

Statement containing particulars of Top 10 employees in terms of remuneration drawn and the particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in Annexure '4' forming part of this report.

There was 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 belief, states that it had:-

(i) followed the applicable accounting standards in the preparation of the Annual Accounts for the year ended 31st March, 2021 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 31st March, 2021 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 your Company for the Financial Year ended 31st March, 2021 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 were operating effectively.

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

Your Company's philosophy on Corporate Governance mirrors its belief that principles of transparency, fairness and accountability towards the stakeholders are the pillars of a good governance system. 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 believes in achieving business excellence and optimizing long-term value for its shareholders on a sustained basis through ethical business conduct. Your Company is committed to adopt best Corporate Governance practices to boost long-term shareholder value without compromising the rights of the minority shareholders.

Your Company complies with the applicable provisions of the Companies Act, 2013 and applicable Secretarial Standards issued by the Institute of Company Secretaries of India. Apart from complying with 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.

In compliance with the provisions of Regulation 34 of the Listing Regulations read with Schedule V of Listing Regulations, a Report on Corporate Governance for the Financial Year ended 31st March, 2021 along with a 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.

CEO & CFO CERTIFICATION

In terms of Regulation 17(8) read with Schedule II Part B 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 for the Financial Year ended 31st March, 2021, adequacy of the internal control measures and reporting of matters to the Audit Committee, is provided elsewhere in this Annual Report.

RISK MANAGEMENT

Your Company has a comprehensive risk management framework in place and a robust organizational structure for managing and reporting risks. The Company regularly identifies these uncertainties and after assessing them, devises short-term and long-term actions to mitigate any risk which could materially impact the Company's long-term goals. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis Your Company is conscious that how better risk management techniques may provide early signals of probable threats to the Company so that they may be addressed in time. Risk management process has been established across your Company and is designed to identify, assess and frame a response to threats that may affect achievement of its objectives.

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls.

The Company endeavours to continually sharpen its Risk Management systems and processes in line with a rapidly changing business environment. The Company, through its risk management process, aims to contain the risks within its risk appetite. There are no risks which in the opinion of the Board threaten the existence of the Company.

INTERNAL CONTROLS/ INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company's internal controls are commensurate with the nature of its business, the size and complexity of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. 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 Company has a well-defined delegation of power with authority limits for approving contracts as well as expenditure. Processes for formulating and reviewing annual and long-term business plans have been laid down. The Company uses a state-of-the-art enterprise resource planning (ERP) system that connects all parts of the organization, to record data for accounting, consolidation and management information purposes. It has continued its efforts to align all its processes and controls with global best practices.

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 and updated with new / revised standard operating procedures in order to align the same with the changing business environment.

The Audit Committee 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. Regular review of the established internal controls system of the Company were undertaken and deficiencies in the design or operation of such control, if any, was discussed with the Auditors and the Audit Committee and suitable actions to rectify those deficiencies were recommended for implementation.

Based on its evaluation (as defined in section 177 of Companies Act 2013 and Clause 18 read with Part C of Schedule II of the Listing Regulations), the Audit Committee has concluded that, as of 31st March, 2021, the Company's internal financial controls were adequate and operating effectively.

PERFORMANCE EVALUATION

In accordance with the 'Board Evaluation Policy' of the Company as laid down by the Nomination and Remuneration Committee and adopted by the Board, the Independent Directors at their separate Meeting held on 14th January, 2021, collectively reviewed the performance of the non-independent Directors, the Board as a whole and that of its Committees. The performance of the Chairman of the Company was also reviewed after taking into account the views of executive directors and non-executive directors. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board. The Nomination and Remuneration Committee, at its meeting held on 21st January, 2021, carried out evaluation of performance of all Independent Directors.

The Board, at its meeting held on 9th February, 2021 discussed and took on record the performance evaluation carried out by the Independent Directors and by the Nomination and Remuneration Committee. Thereafter, the Board 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.

Parameters and process applied for carrying out the evaluation has been discussed in detail in the Corporate Governance Report.

Based on the evaluations, the performance of the Board, its Committees and Individual Directors, including that of Chairman and Independent Directors, was found to be satisfactory. The Board and its Committees had been highly effective in achieving their respective charters of monitoring the overall performance of the Company, overseeing the performance of the management and thus upholding high standards of corporate governance. The board meetings were well run and the members of the Board acted with sufficient diligence and care. The Chairman had been instrumental in fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. He continuously guides the Board for effective governance structure in the Company, displaying professionalism, efficient leadership and decisiveness in his judgements.

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.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities

COMMITTEES OF BOARD OF DIRECTORS

As on the date of this Report, the Board has seven Committees out of which five have been mandatorily constituted in compliance with the requirements of Companies Act, 2013 and Listing Regulations and two non-mandatory Committees have been constituted to enhance the objectivity and independence of the board's judgment and to increase the efficacy of governance. The Board has adopted charters setting forth the roles and responsibilities of each of the Committees. The Board has constituted following Committees to deal with matters and to monitor activities falling within their respective terms of reference:-

Mandatory Committees

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

- Risk Management Committee
- Corporate Social Responsibility Committee

Non-mandatory Committees

- Share Transfer Committee
- Finance Committee

Details of composition of the above Committees, their terms of reference, number of meetings held during the year, attendance therein and other related aspects 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

Your Company's policy on appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel including criteria for determining qualifications, positive attributes and independence of a Director and other matters as required under Section 178(3) of the Companies Act, 2013, is available on it's website at https://www.centuryply.com/codes-policies/Remuneration-policy.pdf. The same is also appended as 'Annexure 5' to this Report. During the year under review, there was no change in the Company's Remuneration Policy.

Your Company's Remuneration Policy is directed towards providing a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations. Further, it aims to attract, retain and motivate highly qualified members for the Board and other executive level and ensure their long term sustainability. The Policy is designed to ensure that:

a) the Company is able to attract, retain and motivate highly qualified members for the Board and other executive level and ensure their long term sustainability.

b) the Company is able to provide a well-balanced and competitive compensation package to its Executives, taking into account their roles and position, shareholder interests, industry standards and relevant regulations.

c) remuneration of the Directors and other Executives are aligned with the business strategy and risk tolerance, objectives, vision, values and long-term interests of the Company.

Selection and procedure for nomination and appointment of Directors

The Nomination and Remuneration Committee ('NRC') is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re- appointment is required. The NRC reviews and vets the profiles of potential candidates vis-a-vis the required competencies, undertakes due diligence and meets potential candidates, prior to making recommendations of their nomination to the Board.

Criteria for determining qualifications, positive attributes and independence of a Director

In terms of the provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19 read with Schedule II of the Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- Qualifications – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- Positive Attributes - Apart from the duties of Directors as prescribed in the Companies Act, 2013, the Directors are expected to demonstrate high standards of ethical behaviour, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.
- Independence - A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Companies Act, 2013, the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations.

BOARD DIVERSITY POLICY

Your Company recognizes and embraces the importance of a diverse Board in its success and aims to attract and maintain a Board which has an appropriate mix of diversity, skills, experience and expertise. The Board composition as on the date of this report meets the above objective. Your Company believes that attracting, recruiting and retaining a diverse team at the Board level will enhance Company's reputation and will help the Company in furtherance of its objectives. Your Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board. The Company believes that a truly diverse Board leverages differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity and gender that will help the Company retain its competitive advantage.

The Company's Policy on Board Diversity, formulated and adopted in terms of Regulation 19 read with Part D of Schedule II of Listing Regulations sets out its approach to diversity. This policy aims 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. The said Policy makes the Nomination and Remuneration Committee of the Company responsible for monitoring and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

The Board Diversity Policy of the Company is available on our website at https://www.centuryply.com/codes-policies/Board-Diversity-Policy.pdf.

Moving beyond the Board, the Company also believes and puts into practice the fact that diversity and inclusion at workplace helps nurture innovation, by leveraging the variety of opinions and perspectives coming from employees with diverse age, gender and ethnicity.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, a Whistle Blower Policy was adopted and vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct that could adversely impact the Company's operations, business performance and / or reputation, with clear and adequate safeguards against victimization of whistle blowers. This Policy was amended on 12th August, 2020 and 10th June, 2021.

Your Company encourages honesty from and among its Employees and promotes zero tolerance towards corruption, illegal and unethical behaviour. Your Company's Whistle Blower Policy/ Vigil mechanism provides a channel to the Employees and Directors of the Company to report genuine concerns about unethical behaviour, actual or suspected incidents of fraud or instances of leakage/ suspected leakage of unpublished price sensitive information or violation of the Company's Code of Conduct and/ or the Insider Trading Code adopted by the Company. The Policy also provides complete confidentiality of the matter so that no unfair treatment is meted out to the Whistle Blower for reporting any concern. 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 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 is available on the Company's website at: https://www.centuryply.com/codes-policies/Vigil-Mechanism-Policy-CPIL.pdf.

During the Financial Year ended 31st March, 2021, no case was reported under this policy. Further, no employee or Director was denied access to the Audit Committee or its Chairman.

RISK MANAGEMENT POLICY

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. Your Company's policy on Risk Management is designed 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. The risk management framework is reviewed periodically by the Board and the Audit Committee. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of Risk Management Policy has been covered in the Management Discussion and Analysis, which forms 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 is an equal opportunity provider and continuously strives to build a work culture which promotes the respect and dignity of all employees across the Organization.

Your Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (India) and the Rules thereunder. The Policy intends to provide a sense of security at the workplace which in turn improves women's participation at work, resulting in their economic empowerment and inclusive growth. The Policy serves as a guide 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. The Company continuously invests in enhancing the awareness on the Policy across its workforce.

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. Aggrieved woman may report complaints to the ICC formed for this purpose or to any member thereof or to the location head, who is also a member of the ICC.

During the year, no complaint regarding sexual harassment was received by the said Committee.

DIVIDEND DISTRIBUTION POLICY

Your Company is deeply committed to driving superior value creation for all its stakeholders. It continuously focuses on sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation.

Pursuant to Regulation 43A of Listing Regulations, the Board of Directors of the Company have formulated and adopted a progressive and dynamic Dividend Distribution Policy, ensuring the immediate as well as long term needs of the business. The same has been appended as Annexure '6' to this Report and is also available on the Company's website at: https://www.centuryply.com/codes-policies/CPIL-Dividend-Distribution-Policy.pdf.

This Policy seeks to lay down a broad framework for the distribution of dividend by the Company whilst appropriately balancing the need of the Company to retain resources for the Company's growth and sustainability. Through this policy, the Company also endeavors to maintain fairness and consistency while considering distributing dividend to the Shareholders. The Policy sets out the circumstances and different factors for consideration by the Board at the time of taking a decision on distribution or retention of profits, in the interest of providing transparency to the Shareholders. The Policy inter alia, specifies the external and internal factors including financial parameters that need to be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend.

POLICY FOR DETERMINING MATERIALITY OF EVENTS/ INFORMATION

The Company's Policy for determination of materiality of events/ information is available on the Company's website at https://www.centuryply.com/codes-policies/CPIL's-Policy-for-Determination-of-Materiality.pdf. The Policy seeks to promote transparency and ensures that the stakeholders are informed regarding the major and material events of the Company. 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 'Material Subsidiaries', Policy on Corporate Social Responsibility and Business Responsibility Policy has been discussed elsewhere in this Report. Policy on Materiality of and dealing with Related Party Transactions, Policy for Preservation of Documents, Archival Policy and Anti-Bribery and Anti- Corruption 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 at www.centuryply.com.

CODE OF CONDUCT

The Company has adopted a Code of Conduct for members of its Board and for Senior Management Personnel in terms of Regulation 17(5) of the Listing Regulations. The Company, through its 'Code of Conduct for Directors and Senior Management Personnel', provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all stakeholders, and to avoid practices like bribery, corruption and anti – competitive practices. This Code reflects the Company's underlying ethical values and commitment to lay standards of integrity, transparency, fairness, accountability and pursuit for excellence. The Code intends 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 all its stakeholders. The Code has been displayed on the Company's website at www.centuryply.com and details thereof have also been included in the Corporate Governance Report forming part of the Annual Report.

All members of the Board and Senior Management Personnel have affirmed compliance with the 'Code of Conduct for Directors and Senior Management Personnel' for the financial year 2020-21. A declaration to this effect signed by the CEO & Managing Director is annexed in the Corporate Governance Report.

The Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

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

As per the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, your Company has adopted a 'Code of Conduct to regulate, monitor and report trading by Designated Persons'. This Code was amended in line with SEBI notification dated 17th July, 2020. The key changes therein included amendment in the clause relating to non-applicability of trading window restriction, contents of digital database and payment of amount collected by the Company under this Code to SEBI for credit to the Investor Protection and Education Fund.

This Code is applicable to all the Promoters, Directors and such other persons defined as designated persons and to their immediate relatives as well. The key object of the Code is to promote transparency and fairness in dealings in the securities of the Company. The Code lays down guidelines, which advise on procedures to be followed and disclosures to be made, while dealing in shares of the Company and cautions on the consequences of non-compliances. The Code prohibits and deters the Promoters, 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 is available on the website of the Company at www.centuryply.com. The Company Secretary of the Company acts as the Compliance Officer for the purpose of the aforesaid Code to inter-alia monitor adherence to the PIT Regulations.

Your Company 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.

The Designated Persons of the Company have provided annual disclosure of their shareholding and other information in the format prescribed in the Code.

CORPORATE SOCIAL RESPONSIBILITY

As an integral part of our commitment to good corporate citizenship, your Company believes in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Towards achieving long term stakeholder value creation, the Company continues to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward Groups, the underprivileged and marginalized and the society at large. Your Company is known for its tradition of philanthropy and community service and has been taking several initiatives under Corporate Social Responsibility ('CSR'), well before it was prescribed through the Companies Act, 2013.

Pursuant to Section 135 of the Companies Act, 2013 read with Schedule VII thereof and Rules made thereunder, the Company has undertaken CSR activities, projects and programs primarily in the field of Education and Skill Development, Health and Wellness, Environmental Sustainability, participating in relief operations during natural disasters, while also pursuing CSR activities for the benefit of the local community in the States in which it operates. During the year, the total CSR expenditure incurred by your Company was ₹527.68 Lac which was higher than that statutorily required to be spent.

Composition of CSR Committee of your Company, attendance at the said Meeting, terms of reference of the CSR Committee and other relevant details has been provided 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 Policy on Corporate Social Responsibility was amended on 26th June, 2020 and 10th June, 2021 and the same can be accessed on the Company's website at https://www.centuryply.com/codes-policies/Policy-on-Corporate-Social-Responsibility.pdf. In terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR and the initiatives undertaken by the Company on CSR activities during the Financial Year 2020-21, is appended hereto as Annexure '7' to this Report.

BUSINESS RESPONSIBILITY

At Centuryply, we are committed to enhance value for our stakeholders together with economic and social well-being of the society and minimising the direct and indirect adverse impact of its operations on the environment. Your Company, as a responsible corporate citizen, recognizes that ethical conduct in all its functions and processes is the cornerstone of a responsible business. Your Company, through its various sustainability initiatives, focusses on creation of a future ready organisation, which can pre-empt imminent challenges and address the needs of all stakeholders. The Business Responsibility Policy adopted by your Company focuses 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, highlighting the Company's approach towards creating long-term value for all its stakeholders, is appended as Annexure '8' to this Annual Report. The Report is aligned with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by Ministry of Corporate Affairs and is in accordance with Regulation 34(2)(f) of the Listing Regulations. The Report describes the initiatives taken by the Company from an environmental, social and governance perspective to enable Members to take well-informed decisions and to have a better understanding of the Company's long term perspective. The Report also touches upon aspects such as Organisation's strategy, governance framework, performance and prospects of value creation for its stakeholders.

MISCELLANEOUS

ANNUAL RETURN

In terms of Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013, the Annual Return of the Company has been placed on the Company's website and can be accessed at https://www.centuryply.com/investor-information/cpil-annual-return/MGT-7.pdf.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS / COURTS / TRIBUNALS

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and future operations of your Company.

COMPLIANCE WITH SECRETARIAL STANDARDS AND INDIAN ACCOUNTING STANDARDS

The Board of Directors affirms that during the Financial Year 2020-21, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013. In the preparation of the Financial Statements, the Company has also applied the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015.

CREDIT RATING

During the year under review, ICRA Limited has reaffirmed [ICRA] A1+ (pronounced ICRA A one plus) rating for the Company in respect of short term credit facilities. The rating of A1+ indicates very strong degree of safety regarding timely payment of financial obligations and carries the lowest credit risk.

The long term credit rating of the Company was reaffirmed as [ICRA] AA- (pronounced ICRA double A minus). The rating of AA indicates high degree of safety regarding timely servicing of financial obligations and very low credit risk. The outlook on the long-term rating has been revised from 'Positive' to 'Stable'. A 'Stable' outlook indicates expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.

ICRA has also reaffirmed [ICRA] A1+ (pronounced ICRA A one plus) rating for Commercial Paper (CP) programme of the Company.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

In furtherance to the "Green Initiative in the Corporate Governance" undertaken by the Ministry of Corporate Affairs, Government of India, allowing paperless compliances by the Companies, your Company is sending notices, Annual Report and other communications through email to Members whose email IDs are registered with the Company/ Depository Participant(s). Members requiring physical copies can send a request to the Company.

Pursuant to the MCA General Circular No. 20/2020 dated May 5, 2020, read with the Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Companies were dispensed with the printing and despatch of Annual Reports to Shareholders. Hence, the Annual Report of the Company for the financial year ended 31st March, 2020 was sent only through email to the Shareholders.

MCA, vide its General Circular No. 02/2021 dated 13th January, 2021 and SEBI vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, have further extended this dispensation till 31st March, 2021. Accordingly, the Annual Report of the Company for the financial year ended 31st March, 2021 would also be sent only through email to the Shareholders.

We would greatly appreciate and encourage all our Members, who have not yet registered their e-mail addresses, to register the same with their Depository Participant or the Registrar and Share Transfer Agent of the Company, to receive soft copies of the Annual Report, Notices and other communications from the Company.

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

Your Company's human resource practices have always been centered around employee welfare and wellness, creating an environment of collaboration and connect which has aided us to achieve industrial harmony since beginning of our operations. The Industrial Relations scenario continued to be largely positive across all the locations. Notwithstanding the challenges posed by the ongoing pandemic, the enthusiasm and unstinting efforts of the employees have enabled your Company to remain at the forefront of the Industry and to achieve ever high targets.

During the year under review, the Company's cloud-based HR portal 'Adrenalin', was made fully operational. This portal facilitates end-to-end HR functioning including payroll and appraisals and has been integrated seamlessly with the Company's present ERP system. The Company's intranet portal 'centurion' continues to serve as an interactive platform, bringing employees together and closer to the management besides keeping them informed of the happenings in the Company. Besides this, the launch of 'Centurion Help-desk', a Whatsapp group, has also enabled time bound resolution of employee grievances.

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 representation on the Company's monthly merit board, '*Sarvada Sarvottam Ambassadors*' and '*Star Centurion*' are also being carried out on a regular basis. All these initiatives coupled with quick grievance resolution mechanisms have enabled the Company to create a highly motivated pool of professionals and skilled workforce that share a passion and vision of the Company.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out in the Annexure '9' to this report.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 read with Rules made thereunder, any money transferred to the Unpaid Dividend Account of a Company which remains unpaid/ unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued (if any) thereon to 'Investors Education & Protection Fund' (IEPF) constituted by the Central Government.

Members are requested to note that dividends for the Financial Year 2013-14 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 the same.

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'), all shares on which dividend has not been paid or claimed for seven or more consecutive years are required to be transferred to IEPF. Accordingly, as on date, your Company has transferred 85147 shares (on which dividend remained unpaid or claimed for seven or more consecutive years) held by 382 shareholders to the demat account of IEPF authority.

In accordance with the provisions of IEPF Rules, the Company has also placed on its website www.centuryply.com, information on dividends which remain unclaimed with the Company as on the date of closure of financial year. The information is also available on the website of the Ministry of Corporate Affairs.

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	Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo

APPRECIATIONS AND ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation of the significant role played by the employees at all levels towards realization of new performance milestones through their dedication, commitment, perseverance and collective contribution.

Your Directors wish to place on record their appreciation for the co-operation and support given to the Company by its customers, vendors, dealers, business associates, consultants, bankers, financial institutions, auditors, solicitors and other stakeholders during the year.

The Board would also like to thank the Government and concerned Government departments, Securities and Exchange Board of India, BSE Ltd., National Stock Exchange of India Ltd. and other Regulatory bodies for their continued support provided to the Company.

The trust and confidence reposed by the customers in the Company and its products is especially cherished. Finally, the Directors wish to place on record their special appreciation to the valued Shareholders of the Company for their unstinted support towards fulfilment of its corporate vision.

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)
Chairman & Managing Director

Kolkata, 10th August, 2021

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	Century Panels Ltd.	Century Gabon SUARL	Centuryply Myanmar Pvt Ltd	Century Ply (Singapore) Pte. Ltd.	Century Ply Laos Co. Ltd.	Century Huesoulin Plywood Lao Co. Ltd.	Asis Plywood Ltd.
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021
2	Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	FCFA	USD	USD	USD	USD	INR
3	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-	-	-	-	-	-	-	-	0.13	73.50	73.50	73.50	73.50	-
4	Share Capital	100.00	30.00	177.76	177.76	177.76	177.76	499.50	5.00	1878.07	5937.50	8155.21	24.32	419.17	116.99
5	Reserves & Surplus	2496.13	(28.26)	(10.29)	(9.10)	(9.35)	(9.21)	(498.38)	-	(193.41)	(897.08)	(4118.74)	(3125.00)	(3336.86)	(319.55)
6	Total Assets	5849.83	1.86	167.70	168.78	168.66	168.79	33.32	5.12	3204.22	6357.14	4039.93	868.78	1212.81	93.74
7	Total Liabilities	5849.83	1.86	167.70	168.78	168.66	168.79	33.32	5.12	3204.22	6357.14	4039.93	868.78	1212.81	93.74
8	"Investments# (except investments in subsidiaries)"	-	-	152.54	152.54	152.54	152.54	-	-	-	-	-	-	-	-
9	Turnover	8508.72	-	-	-	-	-	-	-	177.68	3508.21	-	-		-
10	Profit before Tax	(85.47)	(0.27)	(0.40)	(0.41)	(0.45)	(0.38)	(8.01)	-	(234.26)	(182.32)	501.22	(49.41)	(51.37)	(1.97)
11	Provision for Tax	(28.86)	-	-	-	-	-	-	-	-	-	11.40	-	-	-
12	Profit / (Loss) after Tax	(56.61)	(0.27)	(0.40)	(0.41)	(0.45)	(0.38)	(8.01)	-	(234.26)	(182.32)	489.82	(49.41)	(51.37)	(1.97)
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Percentage of Shareholding	51.00	100.00	80.00	80.00	80.00	80.00	60.06	100.00	100.00	100.00	90.65	90.00	51.00	100.00

Includes investments in property

Other Information

1 Names of subsidiaries which are yet to commence operations as on 31st March, 2021 - Century MDF Ltd. and Century Panels Ltd.

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

3 Century Gabon SUARL commenced its commercial production on 8th February, 2021

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, 10th August, 2021

ANNEXURE -2

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS MADE DURING THE YEAR ENDED 31ST MARCH, 2021

₹ in Lac

Name of the entity	Relation	Amount	Particulars of Loans, Guarantees and Investments	Purpose for which the Loan, Guarantee and Investment are proposed to be utilised
Century Gabon SUARL @	Subsidiary	269.57	20063.6 Equity shares allotted	Business purpose
Century Ply (Singapore) Pte. Ltd.@	Subsidiary	46.14	62,000 Equity shares allotted	Business purpose
Watsun Infrabuild Pvt. Ltd. @	Other	1.48	14,777 Equity shares purchased	Business purpose
OPG Power Generation Pvt Ltd@	Other	2.12	18,400 Equity shares purchased	Business purpose
Auro Sundram Ply & Door Pvt. Ltd.#	Subsidiary	(300.00)	Loan received back	Business purpose
Auro Sundram International Pvt. Ltd.*	Other	500.00	Loan given at market rates and received back part thereof	Business purpose
Channel Financing to Dealers & Distributors	Other	831.86	Guarantee	Channel Financing
Mutual Fund$	Other	11,551.88	Investments	Cash Management

(The loanees have not made any investments in the shares of the Company)

@ For more details on investments, refer note no. 4 of the financial statements

Maximum amount due at any point of time during the year- ₹300 Lac; Year end balance: NIL.

* Maximum amount due at any point of time during the year; Year end balance: ₹250 Lac.

$ Maximum amount invested during the year: Year end balance: ₹11054.30 Lac

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)
Chairman and Managing Director

Kolkata, 10th August, 2021

ANNEXURE-3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[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 and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period for the financial year ended on 31st March, 2021, 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, 2021, 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 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   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, 2018;

   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 and rules there under;

f) The Petroleum Act, 1934 and the Petroleum Rules, 2002;

g) The Legal Metrology Act, 2009 and rules there under;

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

i) The Insecticides Act, 1968 and the Insecticides Rules, 1971.

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.

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
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596
UDIN: A011470C000760977

Date: 10th August, 2021
Place: Kolkata

ANNEXURE-I

To
The Members,
CENTURY PLYBOARDS (INDIA) LIMITED

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

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

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

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

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

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

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

Note: Due to continuing Covid-19 pandemic, for carrying on and completion of the Audit, documents /details have been provided by the Company through electronic mode only and the same have been verified by us.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596
UDIN: A011470C000760977

Date: 10th August, 2021
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)	Remuneration received (₹)	Previous Employment	Designation at Previous Employment	Relationship with Director/ Manager
Employed throughout the financial year											
Sri Prem Kumar Bhajanka	Managing Director	Commerce Graduate	Contractual	Management & administration	63	16-Apr-08	41	4,48,62,000	Century Panels Pvt. Ltd.	Managing Director	None
Sri Ajay Baldawa	Executive Director	B.E. Engg., M.Tech.	Contractual	Production; Project implementation	64	23-Feb-94	39	2,40,00,000	Sarda Plywood Industries Ltd.	General Manager	None
Sri Sajjan Bhajanka	Chairman & Managing Director	Commerce Graduate	Contractual	Management, administration & finance	69	5-Feb-86	42	2,03,40,500	None	N.A.	Father of Sri Keshav Bhajanka
Sri Sanjay Agarwal	CEO & Managing Director	Commerce Graduate	Contractual	Marketing & sales promotion	60	5-Jan-82	34	2,03,40,500	None	N.A.	Father of Smt. Nikita Bansal
Sri Vishnu Khemani	Managing Director	Science Graduate	Contractual	Management & administration	69	16-Apr-08	43	2,03,17,000	Sharon Veneers Pvt. Ltd.	Managing Director	None
Sri Arun Kumar Julasaria	Chief Financial Officer	B.Com. FCA; FCS	Permanent	Finance, Taxation, Accounts	59	5-Aug-04	36	1,63,13,780	Mani Group	Finance Head	None
Sri Yogesh Kumar Chaudhry	Unit Head- Cent Ply	M.E., MBA, LL.B, ACMA, ACS, CAIIB, CFA	Permanent	Overall Management of the Unit	61	16-Feb-06	39	1,27,19,490	North Eastern Development Finance Corporation Ltd.	General Manager	None
Sri Shankho Chowdhury	Executive LOB Head- Decoratives	B.A. Honours	Permanent	Sales & Marketing	60	1-Aug-13	32	1,05,01,189	Consultancy K	Director	None
Sri Navarun Sen	Executive LOB Head- Panel	PGDM	Permanent	Sales & Marketing	54	1-Nov-13	30	98,24,932	UNINOR	Circle Business Head	None
Sri Ashutosh Jaiswal	President - IB Division & Logistics	B. Sc.	Permanent	Overall Management	62	1-Jun-94	42	94,70,321	M/s. Dutta Exports	Export Executive	None
Employed for a part of the financial year											
None											

PARTICULARS OF MANAGERIAL REMUNERATION

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

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	93.64 : 1
			Sri Hari Prasad Agarwal *	4.60 : 1
			Sri Sanjay Agarwal	93.64 : 1
			Sri Prem Kumar Bhajanka	206.53 : 1
			Sri Vishnu Khemani	93.53 : 1
			Sri Keshav Bhajanka	25.15 : 1
			Sri Ajay Baldawa	110.49 : 1
			Smt. Nikita Bansal	11.94 : 1
			Sri Rajesh Kumar Agarwal#	3.54 : 1
			Non-Executive Independent Directors	**Ratio**
			Sri Amit Kiran Deb	1.84 : 1
			Sri Santanu Ray	1.84 : 1
			Smt. Mamta Binani	1.84 : 1
			Sri J. P. Dua	1.84 : 1
			Sri Vijay Chhibber	1.84 : 1
			Sri Debanjan Mandal	1.84 : 1
			Sri Sunil Mitra	1.84 : 1
			Sri Probir Roy	1.84 : 1
			* expired on 18.12.2020	
			#Appointed w.e.f. 09.02.2021	
(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	69.50
			Late Hari Prasad Agarwal	(83.33)
			Sri Sanjay Agarwal	69.50
			Sri Prem Kumar Bhajanka	273.85
			Sri Vishnu Khemani	69.31
			Sri Keshav Bhajanka	9.25
			Sri Ajay Baldawa	Nil
			Smt. Nikita Bansal	8.04
			Sri Rajesh Kumar Agarwal *	Nil
			Non-Executive Independent Directors	
			Sri Santanu Ray	Nil
			Smt. Mamta Binani	Nil
			Sri J. P. Dua	Nil
			Sri Vijay Chhibber	Nil
			Sri Debanjan Mandal	Nil
			Sri Sunil Mitra	Nil
			Sri Probir Roy	Nil
			Sri Amit Kiran Deb *	Nil
			CFO & CS	
			Sri Arun Kumar Julasaria (CFO)	11.99
			Sri Sundeep Jhunjhunwala (CS)	(5.19)
			$ Includes commission on net profit paid to Executive Directors	
			* Comparitive figures for the previous year NIL.	

<table>
<tr><th colspan="2">Requirements of Rule 5(1)</th><th></th><th colspan="2">Details</th></tr>
<tr><td>(iii)</td><td>the percentage increase in the median remuneration of employees in the financial year</td><td>:</td><td colspan="2">(7.67%)</td></tr>
<tr><td>(iv)</td><td>the number of permanent employees on the rolls of company (as on 31st March, 2021)</td><td>:</td><td colspan="2">6365</td></tr>
<tr><td rowspan="5">(v)</td><td rowspan="5">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</td><td rowspan="5">:</td><td>Average percentile increase in salary of non-managerial employees</td><td>(2.50)#</td></tr>
<tr><td>Average percentile increase in salary of managerial employees</td><td>42.29$</td></tr>
<tr><td colspan="2"># Reduction on account of deduction during lock-down; CTC remains unchanged</td></tr>
<tr><td colspan="2">$ Includes commission on net profit paid to Executive Directors</td></tr>
<tr><td colspan="2">No increment was given to any employee in general due to the uncertainities arising on account of the Covid-19 pandemic and consequent lock-down of operations.</td></tr>
<tr><td>(vi)</td><td>affirmation that the remuneration is as per the remuneration policy of the company</td><td>:</td><td colspan="2">The Company affirms that the remuneration paid during the year ended 31st March, 2021 is as per the Remuneration Policy of the Company.</td></tr>
</table>

Brackets indicate negative figures

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)
Chairman and Managing Director

Kolkata, 10th August, 2021

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" shall mean officers/ personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/ manager (including chief executive officer/manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer.

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 and to ensure their long term sustainability.

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 <u>Support for Strategic Objectives:</u> 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 <u>Transparency:</u> The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

3.3 <u>Internal equity</u>: 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 <u>External equity</u>: 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 <u>Flexibility</u>: 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 <u>Performance-Driven Remuneration</u>: The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.

3.7 <u>Affordability and Sustainability</u>: 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 formulating 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;

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;

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;

4.2.5 recommending to the Board, all remuneration, in whatever form, payable to senior management;

4.2.6 recommending whether or not to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors;

4.2.7 devising a policy on Board diversity

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 a 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.

11. AMENDMENT:

Any change in the Policy shall be approved by the Board of Directors or any of its Committees (as may be authorized by the Board of Directors in this regard). The Board of Directors or any of its authorized Committees shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board or its Committee in this respect shall be final and binding. Any subsequent amendment / modification in the Listing Regulations and / or any other laws in this regard shall automatically apply to this Policy.

12. EFFECTIVE DATE:

This Policy is effective from 1st April, 2019.

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

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company.

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.

2 Composition of the CSR Committee (as on 31st March, 2021)

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sri Sajjan Bhajanka	Chairman	1	1
2.	Sri Hari Prasad Agarwal (till 18.12.2020)	Member	1	1
3.	Sri Rajesh Kumar Agarwal (w.e.f. 09.02.2021)	Member	1	NA
4.	Sri Sunil Mitra	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Web-link for composition of the CSR Committee of the Company:

https://www.centuryply.com/investor-information/BOD-and-Committee-Structure.pdf

(Composition as on 31st March, 2021)

Web-link for CSR Policy of the Company:

https://www.centuryply.com/codes-policies/Policy-on-Corporate-Social-Responsibility.pdf

Web-link for CSR projects as approved by the Board for the Financial Year 2021-22:

https://www.centuryply.com/investor-information/cpil-csr/csr-projects-for-the-financial-year_2021-22.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable — Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2020-21	-----	
2.			
3.			
	TOTAL		

6.	Average net profit of the company as per Section 135(5).	₹22832.46 Lac
7. (a)	Two percent of average net profit of the company as per section 135(5)	₹456.65 Lac
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
(c)	Amount required to be set off for the financial year, if any	Nil
(d)	Total CSR obligation for the financial year (7a+7b-7c).	₹456.65 Lac

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
527.68 Lac	--	--	--	--	--

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **NIL**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the List of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementa tion -Direct (Yes/No).	Mode of Implementation -Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	--	--	--	--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--	--	--	--	--
	TOTAL											

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in ₹).**	**Mode of implementation - Direct (Yes/No).**	**Mode of implementation -Through implementing agency.**	
				State.	**District.**			**Name.**	**CSR Registration number.**
1.	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.	Clause (ii)- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project	Yes	West Bengal	Kolkata	28436918	No	Udayan Care	CSR00000619
				All India				Friends of Tribals Society	
			Yes	West Bengal	South 24 Parganas			Century Ply Vocational Training Centre	
			Yes	West Bengal	Kolkata			Morning Glory School	CSR00007090
			No	Assam	Kamrup			Sewing School (Palasbari Paridhan kendra & Manpur)	
			Yes	West Bengal	Kolkata			Shree Burrabazar Kumarsabha Pustakalya	CSR00000334
			Yes	West Bengal	Kolkata			Vidyarthi Vikash	CSR00011495
			Yes	West Bengal	Kolkata			EK Tara Learning Centre	CSR00004075
			No	Odisha	Khordha (Bhubaneswar)			Vanvasi Kalyan Ashram, Odisha	
			Yes	West Bengal	Kolkata			Kalyan Bharti Trust	
2.	Promoting humanitarian principles and values; 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.	Clause (i)- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	West Bengal	Kolkata	11468776	No	Can Kids-Cancer Patients	CSR00000341
			Yes	West Bengal	Howrah (N)			Shree Ram Seva Samity Trust	
			Yes	West Bengal	Kolkata			Institute of Celebral Palsy	CSR00001730
			Yes	West Bengal	South 24 Parganas			Help Us Help Them	CSR00002874
			Yes	West Bengal	Purba Medinipur			Kurpai Unnayani Society	CSR00011072
			Yes	West Bengal	Kolkata			Marwari Relief Society	CSR00006109
			Yes	West Bengal	Kolkata			Nagrik Swasthya Sangh	CSR00002886
			Yes	West Bengal	Kolkata			Shree Manav Seva Trust	CSR00011270
			Yes	West Bengal	Kolkata			Purvanchal Kalyan Ashram	
			Yes	West Bengal	Kolkata			Vivekananda Yoga Anusandhana Samstha	
			No	Punjab	Hoshiarpur			Ashadeep Welfare Society	
			No	Tamil Nadu	Chennai			Deaf Enabled Foundation	

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in ₹).**	**Mode of implementation - Direct (Yes/No).**	**Mode of implementation -Through implementing agency.**	
				State.	**District.**			**Name.**	**CSR Registration number.**
			Yes	West Bengal	Kolkata			Shree Vishudanand hospital	
			No	Haryana	Hisar			Civil Hospital Haryana (Govt. Hospital)	
			No	Delhi	Delhi			South Delhi Municipal Corporation (Distribution of Sanitary napkin)	
			Yes	West Bengal	Kolkata			Netaji Subhash Chandra Bose Cancer Institute	
3.	Protecting Environment; Maintenance of burning ghats; Animal Welfare	Clause (iv)- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	West Bengal	North 24 Parganas	11350723	No	Calcutta Pinjrapole Society	CSR00007320
			No	Tamil Nadu	Thiruvallur			Pulicat Birds Sanctuary	
			Yes	West Bengal	Kolkata			Central Kolkata Prerna Foundation	CSR00007631
			No	Uttar Pradesh	Mathura			Friends Of Vrindaban	CSR00006386
			No	Punjab	Jalandhar			Ek Onkar Charitable Trust	
			No	Assam	Kamrup			Palasbari Sanskriti Bikash Bhawan	
			No	Punjab	Hoshiarpur		Yes	Tree Plantation	N.A.
4.	Providing aid during cyclone and covid-19 pandemic	In terms of para (xii) of Schedule VII of the Companies Act, 2013 the CSR expenditure is incurred towards disaster management, including relief, rehabilitation and reconstruction activities	All India			1512038	Yes		N.A.
	TOTAL					**52768455**			

(d) Amount spent in Administrative Overheads	Nil
(e) Amount spent on Impact Assessment, if applicable	Not Applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	₹527.68 Lac

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	456.65 Lac
(ii)	Total amount spent for the Financial Year	527.68 Lac
(iii)	Excess amount spent for the financial year [(ii)-(i)]	71.03 Lac
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	71.03 Lac

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the Reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.	2017-18	Nil	Nil	Nil	Nil	Nil	Nil
2.	2018-19	Nil	Nil	Nil	Nil	Nil	Nil
3.	2019-20	Nil	Nil	Nil	Nil	Nil	Nil
	TOTAL	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the Project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of Reporting Financial Year. (in ₹)	Status of the project – Completed / Ongoing.
1.	--	--	--	--	--	--	--	--
2.	--	--	--	--	--	--	--	--
3.	--	--	--	--	--	--	--	--
	TOTAL	**--**	**--**	**--**	**--**	**--**	**--**	**--**

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). (a) Date of creation or acquisition of the capital asset(s). (b) Amount of CSR spent for creation or acquisition of capital asset. (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable
11.	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	Not Applicable

Sanjay Agarwal
CEO and Managing Director
Kolkata, 10th August, 2021

Sajjan Bhajanka
Chairman- CSR Committee

ANNEXURE-8

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

<table>
<tr><td>1.</td><td>Corporate Identity Number (CIN) of the Company</td><td>L20101WB1982PLC034435</td></tr>
<tr><td>2.</td><td>Name of the Company</td><td>Century Plyboards (India) Ltd. [CPIL]</td></tr>
<tr><td>3.</td><td>Registered Address</td><td>P-15/1, Taratala Road, Kolkata- 700 088</td></tr>
<tr><td>4.</td><td>Website</td><td>www.centuryply.com</td></tr>
<tr><td>5.</td><td>E-mail ID</td><td>investors@centuryply.com</td></tr>
<tr><td>6.</td><td>Financial Year reported</td><td>2020-21</td></tr>
<tr><td>7.</td><td>Sector(s) that the Company is engaged in (industrial activity code-wise)</td><td><table>
<tr><th>Sl.</th><th>Product</th><th>Industrial Activity Code (NIC Code)</th></tr>
<tr><td>1.</td><td>Plywood & Veneer; MDF</td><td>1621</td></tr>
<tr><td>2.</td><td>Laminate</td><td>1709</td></tr>
<tr><td>3.</td><td>Logistics</td><td>5210</td></tr>
</table></td></tr>
<tr><td>8.</td><td>Three key products/services that the Company manufactures/ provides</td><td>➢ Plywood
➢ Laminates
➢ Container Freight Station Services</td></tr>
<tr><td>9.</td><td>Total number of locations where business activity is undertaken by the Company.</td><td></td></tr>
<tr><td></td><td>(a) Number of International locations</td><td>CPIL through its subsidiaries, has operations in 4 international locations.</td></tr>
<tr><td></td><td>(b) Number of National locations</td><td>CPIL has its registered office in Kolkata. It has manufacturing facilities at 7 locations in India (including one under its Subsidiary) and 2 Container Freight Stations at Kolkata. There are 28 marketing offices across the country supported by 43 depots/ warehouses (including 9 regional distribution centres).</td></tr>
<tr><td>10</td><td>Markets served by the Company Local/State/ National/International</td><td>CPIL operates across India and also exports its products to Indonesia, Singapore, Thailand, Mexico, Venezuela, UAE, Israel, Vietnam, USA, Puerto Rico and other countries.</td></tr>
</table>

SECTION B: FINANCIAL DETAILS OF THE COMPANY

<table>
<tr><td>1.</td><td>Paid up Capital (INR) (As on 31.03.2021)</td><td>222172990</td></tr>
<tr><td>2.</td><td>Total Turnover (INR) (FY 2020-21)</td><td>2,113.48 crore</td></tr>
<tr><td>3.</td><td>Total profit after taxes (INR) (FY 2020-21)</td><td>192.07 crore</td></tr>
<tr><td>4.</td><td>Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)</td><td>2.75 % of profit after tax for FY 2020-21</td></tr>
<tr><td>5.</td><td>List of CSR activities in which expenditure has been incurred</td><td>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.
➢ Disaster Relief
Providing aid during natural calamities like cyclone and covid-19 pandemic.</td></tr>
</table>

SECTION C: OTHER DETAILS

1.	Subsidiary Company/ Companies	As on 31st March, 2021, CPIL has eleven subsidiaries and three step-down subsidiaries. Out of these, three subsidiaries and two 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 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 and 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 marginalized [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	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been approved by the Board at its meeting held on 10th May, 2016 and signed by the CEO and 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 and 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 https://www.centuryply.com/investor-information/Business-Responsibility-Statement-31.3.2020.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 has adopted and implemented various policies and codes thereby setting the foundation for good corporate governance at the core of all its business transactions and processes. 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.

Your Company is also cognizant of its responsibility towards protecting and maintaining the confidentiality and disclosure of price sensitive information in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. In this regard, the Company has developed its Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which not only conforms to the regulatory requirements but also instils a sense of responsibility among the designated persons for protecting and maintaining confidentiality.

The Company is equally committed to the prevention, deterrence and detection of bribery and other corrupt business practices. With this intent, it has approved and adopted an 'Anti-Bribery and Anti-Corruption Policy' ("ABAC Policy"). The purpose of this Policy is to ensure that our Company sets up adequate procedures to prevent the Company's involvement in any activity relating to bribery, facilitation payments, or corruption, even where the involvement may be unintentional. It requires employees, directors, officers of the Company and third parties subject to this ABAC Policy to recognize questionable transactions, behaviour or conduct, and to take steps to record, comply and follow procedures set in place to deal with such behaviour or conduct.

Information with reference to BRR framework:

1.	Coverage of the policy relating to ethics, bribery and corruption over the company and its Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others	The policy serves as a roadmap to all employees of the Company and its 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 are asked to practice them in conduct of their businesses.				
2.	Stakeholder complaints received in the past financial year and percentage of complaints satisfactorily resolved by the management.	**Stakeholder Complaints**	**Opening**	**Received**	**Resolved**	**Complaints Resolved (%)**
		Consumer Complaints	97	1713	1748	96.57%
		Investor Complaints	0	4	4	100%
		Vendor Complaints	Nil	Nil	--	--
		The Company has a structured mechanism in place for all its stakeholders to freely share their concerns and grievances with the Company.				

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 wood panel 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), Borer and Termite proof panels, Germ-free laminate, Antifungal decorative veneer, providing maximum value and satisfaction to our customers. During outbreak of Covid-19 pandemic and with safety of its stakeholders in mind, the Company, on a war footing basis, developed Virokill technology which is an antiviral chemical based on a nano-engineered highly activated nanoparticle and applied the same to most of its products, thereby ensuring protection against the SARS-COV-2 corona virus. The Company went ahead and developed 'Fire-Wall' technology for its plywood, thereby making it fire retardant. CenturyPly now enriched with Firewall technology is certified as the best in class by Indian Standards (IS 5509), American Society for Testing Material (ASTM E84) and British Standard. (BS476 Part 7) when measured against critical parameters like flammability, spread ability, penetration, smoke developed index.

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) Introduction of 'Virokill' technology in most of its products which ruptures and kills 99.99% microbes, bacteria, fungus or virus coming in contact with it.
		(b) Introduction of 'Firewall' technology in plywood offering best-in-class product when measured against critical parameters like flammability, spread ability, penetration, smoke developed index.
		(c) MDF & Particle Board
		Apart from the above, the Company continues with its environment friendly products like 'Zykron' and 'Starke'
2.	Details in respect of resource use (energy, water, raw material etc.)	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.
	a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain	Various initiatives continue to be undertaken by the Company for optimal utilisation of resources/ energy:
	b) Reduction during usage by consumers (energy, water) has been achieved since the previous year	(a) Increased focussed on manufacture of MDF Board and Particle Board which uses residuals of hardwood and softwood as its primary raw, thereby reducing usage of wooden logs.

		(b) Replacement of traditional glue spreader with latest full length glue spreader machines.
		(c) Reduction of idle running time of machines by installing timers
		(d) Installation of solar water heaters for saving energy.
		(e) Installation of STP plant, which has reduced consumption of precious ground water. The treated water is used for watering the greenery in the plant premises.
		(f) Expansion of solar roof-top panels on factory sheds for increasing generation of power, thereby substantially reducing dependence on fossil fuels and emission of carbon dioxide.
		(g) Adoption of improved technology for producing anti-bacterial, anti-fungal and anti-viral laminates and plywood.
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 purchase 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 also procures face veneer instead of raw timber logs, thereby ensuring raw material sustainability. As on date, the Company is sourcing approximately 15% of its timber logs and veneer from other Countries. The Company, through its Subsidiary, has also set up a veneer processing unit in Gabon to take advantage of availability of Okoume timber for meeting its face veneer requirements. It is already having similar backward integration in Myanmar and Laos for securing availability of raw material. By providing subsidised saplings unconditionally, the Company is encouraging farmers around its manufacturing locations to plant eucalyptus and other trees around their field. The Company is also promoting large-scale plantations of fast growing and short-rotation plant species in the vicinity of our manufacturing facilities, particularly in Punjab and Tamil Nadu. This, in future, may turn out to be a huge source of sustainable supply of raw material for the Company besides adding to the green cover and source of income for the farmers. The Company has strategically designed its distribution network in order to serve its dealers in the least possible time and transportation cost. This has resulted in better warehouse and inventory management. Further, the Company drives its distribution plan using an ERP (Enterprise Resource Planning) system to optimize freight cost. These initiatives on one hand benefits the Company in terms of time and cost of transportation and on the other hand support environment through reduction in fuel consumption and resultant carbon emission. Also, 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. Besides this, much of the Company's production-line work-force is from communities surrounding its factories.

5.	Mechanism and percentage of recycling of products and waste	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. Conversion of logs into veneer and thereafter to plywood is accompanied by incidental waste in some form or the other. 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 Company also uses most of its wood based wastes as raw material for particle board. At places where it cannot be used as raw-material, these wood-wastes are consumed as fuel in the boilers for generation of heat. On the other hand, the waste-water generated is treated and used for greenbelt development, thereby ensuring zero effluent discharge. Therefore, almost all 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 safety and well-being of the Company's employees is paramount and non-negotiable. The Company follows industry accredited best practices on health and safety across our operations, and conduct all our processes in a responsible manner to safeguard our employees. 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.

The Company understand that employees spend a big part of their waking hours in the workplace. Hence, the Company focus on creating a holistic work environment by promoting health and wellness at the workplace. Fitness and financial wellness sessions are organised from time to time for the benefit of the employees. The Company also encourages and sponsors its employees and their family members to participate in marathons, so as to imbibe a discipline for fitness in them. The Company has schemes for providing ex-gratia financial assistance to its employees on the occasion of marriage and child-birth. In order to ensure adequate protection during the on-going pandemic, your Company has made appropriate sanitization arrangements across all its work-places, distributed preventive medicines and also provided Covid health insurance to its employees. Company has launched 'Centurion Buddy', a one-stop whatsapp based solution for addressing all employee related issues and queries in a time-bound manner.

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' and 'Centurion Star'.

Information with reference to BRR framework:

<table>
<tr><td>1</td><td>Total number of employees</td><td colspan="3">6365</td></tr>
<tr><td>2</td><td>Total number of employees hired on temporary/ contractual/ casual basis.</td><td colspan="3">4348</td></tr>
<tr><td>3</td><td>Number of permanent women employees.</td><td colspan="3">369</td></tr>
<tr><td>4</td><td>Number of permanent employees with disabilities</td><td colspan="3">9</td></tr>
<tr><td>5</td><td>Employee associations recognized 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 recognized employee association.</td><td colspan="3">47%</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>Permanent Employees</td><td colspan="2">40%</td></tr>
<tr><td>Permanent Women Employees</td><td colspan="2">16%</td></tr>
<tr><td>Casual/ Temporary/ Contractual Employees</td><td colspan="2">17%</td></tr>
<tr><td>Employees with disabilities</td><td colspan="2">55%</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

Identifying the stakeholders and engaging with them through multiple channels in order to hear what they have to say about our products and services are essential parts of our sustainability plan. 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 rowspan="10">1</td><td rowspan="10">Mapping of internal and external stakeholders</td><td colspan="2">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.</td></tr>
<tr><td colspan="2">The main categories and their mode of engagements are:</td></tr>
<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/ video conferencing</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>
<tr><td>2</td><td>Identification of disadvantaged, vulnerable and marginalised Stakeholders</td><td colspan="2">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 colspan="2">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.

Fair treatment and safeguarding the interests of the contract workforce is important for the Company. Contract labour is deployed at the manufacturing facilities and in other functions, in various non-core activities like housekeeping, canteen operations, warehouse operations and others. Each unit maintains suitable checks and balances to ensure that wage payments, statutory contributions, and other such obligations are met by the contractors. Further, safety training programs which are conducted for employees and workmen are also extended to contractual employees.

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 continuously working to control/reduce formaldehyde emission from plywood and HPL by improved glue formulation. The Company also works on its resin manufacturing technology to avoid vacuum distillation at final stage so as to minimise 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 has completed installation of roof-top solar photo voltaic panels at all its manufacturing units for generation of power thereby substantially reducing dependence on fossil fuels and emission of carbon dioxide. The Company is also promoting large-scale plantations of fast growing and short-rotation plant species in the vicinity of our manufacturing facilities by distributing free/ subsidised saplings. This helps to improve the green cover and mitigate the impact of global warming. 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 direction on regular basis 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 have been installed at all its manufacturing units for generation of power thereby substantially reducing dependence on fossil fuels and emission of carbon dioxide. • Exploring Concentrated Solar Thermal (CST) technologies for heating water or other thermic fluids by concentrating solar energy for process heat applications in industries by integrating it with an existing boiler/heating system. • 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, 2021.

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 (f) The Bengal Chamber of Commerce and Industry (g) Association of Indian Panelboard Manufacturer (h) Indian Laminate Manufacturers Association
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 other Trusts, 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 (2020-21) is ₹5.28 crore. Details of the same have been provided in 'Annexure-7' of the Board's 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 undertook programs for providing free of cost training to local people around the Company's works in tailoring and spoken English. The objective of these program is to provide skill development training to local people 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. The Company believes in implementing the customer feedback into product development and enhancing user experience.

Information with reference to BRR framework:

1	Percentage of customer complaints/ consumer cases pending as on the end of financial year	1810 customer complaints were received (including 97 pending from previous year) of which 1748 were successfully resolved. Only 62 complaints constituting 3.43% remained pending as on the end of the financial year. Subsequently, most of these complaints have also been resolved. Further, only 9 cases filed by customers/ consumers in various Consumer Courts/ Redressal Forum were pending as on 31st March, 2021.
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. During the year, the Company started bar-coding of its products, enabling its Customers to verify their genuineness.

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.	During the year, the Company received a show-cause notice from The Advertising Standards Council of India (ASCI) on a complaint made by Consumer Education and Research Centre (CERC) in relation to the Company's 'Virokill' commercial. The Company had submitted its response to ASCI and has also obtained a stay-order from the court against any further action by ASCI in this regard. Apart from this, 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, 2021.
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. 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 and Managing Director

Kolkata, 10th August, 2021

ANNEXURE-9

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 to monitor/control optimum power utilisation.
- Increased APFC capacity by adding 100 KVAR in PCC-2 for power factor improvement from 0.96 to 1.0.
- Close monitoring of 900 kw Dryer HT motor speed control reducing it from 990 RPM to 600 RPM during plant stop/start up (Dryer heating and cooling) for energy saving.
- Hot Press heating pump, Chips feeding screw motor, energy plant fuel feeding hopper forward/reverse system and other high capacity motors (>15 HP), etc. are now hooked to VFD (Variable Frequency Drive) to maintain optimum load thereby minimizing mechanical wear and tear of machine parts, avoid heat loss and save power.
- Modification in automation logic by switching off motors in raw board section after certain time when plant stops.
- Two numbers of old compressors (total load 60 HP) replaced with energy efficient screw compressor (50 HP)
- Installation of new energy efficient MF Impregnator at laminate division.
- Upgradation of web aligner system from electrical to pneumatic system in Impregnators, thereby reducing energy consumption by 3 kWh per hour.
- Regular venting of Thermal oil lines to remove low boil volatile impurities for optimum utilization of heat energy of the hot oil.
- Motor running timers provided in automation system in all the sections to monitor running time of most of the motors to calculate and reduce ideal running time.
- Running of sanding machine most of the time as per TOD timings so as to avoid peak hours of TOD in which electricity consumption / unit rates are maximum.
- Regular monitoring of air leakages in air compressors which form a sizable component in power consumption in utility section.
- Optimization of press cycle to improve quality and reduce power consumption.
- Total operational time of the cooling water circulation pump in the newly installed cooling tower has been reduced without affecting it's efficiency.
- Installation of new technology oriented seasoning chamber resulting in decreased power consumption.
- Installation of electrical parameters for monitoring of different sections for power control.
- Installation of turbo vents to improve air circulation without electrical energy.
- Increasing the capacity of the Hot Water Generator no. 2 which saves energy consumption by 45 kWh per hour.
- Installation of LED lights and phasing out conventional Tube Lights/ Sodium/ Mercury Halogen lights, resulting in power savings.
- Installation of new energy efficient fans which saves energy consumption by almost 225 kWh per year per fan.
- Installation of inverter air conditioners (ACs) at factory office, thereby reducing energy consumption by almost 1700 kWh per year per AC (1.5 Ton).
- Installation of automatic controllers with automatic timer switches for street lights and high masts to save energy.
- Installation of sky light sheet which enabled to switch off the lighting system during day time.
- 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.

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

- Increasing the capacity of grid-connected roof top Solar PV systems by 20 kW.
- New ground mounted solar plant of capacity 2.8 MW has been finalized at the MDF unit and installation of the same is in progress. This would substantially reduce dependence on fossil fuels and emission of carbon dioxide.
- Increased the turbo vents for better air circulation without electrical energy.
- Started usage of wind power energy wherever found viable.

(iii) The capital investment on energy conservation equipment:

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. The Company has plans for adding 2.8 MW ground-mounted solar power plant at our Hoshiarpur facility besides enhancing the roof top solar power capacity at our Joka and Kandla Units at a capex of almost ₹20 crore.

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.
- Developed and launched 'Virokill' technology which is an antiviral chemical based on a nano-engineered highly activated nanoparticle and applied the same to most of its products, thereby ensuring protection against the SARS-COV-2 corona virus.
- Developed a new user and production friendly Fire-Wall technology to manufacture fire retardant plywood products, complying to domestic as well as international standards like IS 5509-2000, BS-476 Part-7 and ASTM-E84.
- Modernization of scrappers in Doctor rolls (Top & Bottom) of all treated and resin maturations with proper monitoring to eliminate the bleed thru (BT).
- Use of core composer and full length glue spreader ensured a gap-less and better quality product and also reduced manpower involvement to quite an extent.
- Decorative range with indigenous dying of veneers was started during the year
- Switching over to use of indigenous in-house developed wetting agent in laminate manufacture in place of imported chemical.
- Installation of core composer machines to produce Zero-gap plywood.
- Installation of 8 feet glue spreaders to increase production and improve quality.
- Use of software I-DEAC (MIND INFO TECH) for generating independent QR Code for each board to counter duplicity of Company's products.
- 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.
- 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:

- New products created new brands like Germ Free Laminate, Virokill and Fire-Wall plywood
- 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. On the contrary, the Company endeavored to use indigenous materials instead of imports in laminate manufacture. The wetting agent developed in-house is now on a successful trial and has stopped the import of the chemical.

(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 ₹1,73,440 to it. The technologies used by the Company are indigenous.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ in crore

Earnings on account of:	2020-21	2019-20
FOB value of exports	104.51	104.99
Total	**104.51**	**104.99**
Outgo on account of:		
a) Raw materials	167.48	257.56
b) Capital goods	4.16	1.90
c) Traded goods	18.98	26.62
d) Stores and spare parts	4.10	6.08
e) Transit Stock	9.21	16.04
f) Services	0.01	0.13
g) Travelling expenses	0.01	0.38
h) Interest	2.14	6.26
i) Others	0.28	0.88
Total	**206.37**	**315.85**

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)
Chairman and Managing Director

Kolkata, 10th August, 2021

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Global economic overview

The global economy reported de-growth of 3.3% in 2020 compared to a growth of 2.9% in 2019, the sharpest contraction since World War II. This decline was largely due to the outbreak of the novel coronavirus and the consequent suspension of economic activities across the world. This led to global supply chain disruptions, resulting in a de-growth in some of the largest global economies.

Consequently, global FDI reported a significant decline from $1.5 trillion in 2019 to $859 billion in 2020, the lowest since the 1990s and more than 30% below the investment trough that followed the 2008-09 global financial meltdown.

Regional growth %	2020	2019
World output	(3.3)	2.9
Advanced economies	(4.9)	1.7
Emerging and developing economies	(2.4)	3.7

Performance of some major economies

United States: The country witnessed a GDP de-growth of 3.4% in 2020 compared to a growth of 2.3% in 2019.

China: The country's Gross Domestic Product grew 2.3% in 2020 compared to 6.1% in 2019 despite being the epicentre of the outbreak of the novel coronavirus.

United Kingdom: Britain's GDP shrank 9.9% in 2020 compared to 1.4% growth in 2019, 2x the annual contraction recorded in the aftermath of the global meltdown in 2009.

Japan: Japan witnessed a contraction of 4.8% in 2020, the first instance of a contraction since 2009.

The global economy is projected to grow by 5.5% in 2021 largely due to the successful roll-out of vaccines across the globe, coupled with policy support in large economies.

Indian economic overview

The Indian economy passed through one of the volatile periods in living memory in 2020-21.

At the start of 2020, India was among five largest global economies; its economic growth rate was the fastest among major economies (save China); its market size at 1.38 billion was the second largest in the world; its rural population of the under-consumed was the largest in the world.

The Indian government announced a complete lockdown in public movement and economic activities from the fourth week of March 2020. As economic activities came to a grinding halt, the lockdown had a devastating impact on an already-slowing economy as 1.38 billion Indians were required to stay indoors - one of the most stringent lockdowns enforced in the world.

The outbreak of the novel coronavirus and the consequent suspension of economic activities due to the pandemic-induced lockdown, coupled with muted consumer sentiment and investments, had a severe impact on the Indian economy during the first quarter of the year under review. The Indian economy de-grew 23.9 per cent in the first quarter of 2020-21, the sharpest de-growth experienced by the country since the index was prepared.

The Indian and state governments partially lifted controls on movement, public gatherings and events from June 2020 onwards, each stage of lockdown relaxation linked to economic recovery. Interestingly, as controls relaxed what the country observed was a new normal: individuals were encouraged to work from home; inter-city business travel was replaced by virtual engagement; a greater premium was placed on the ownership of personal mobility modes (cars and two-wheelers); there was a sharp increase in home purchase following the need to accommodate an additional room for home working.

The result is that India's relief consumption, following the lifting of social distancing controls, translated into a full-blown economic recovery. A number of sectors in India – real estate, steel, cement, home building products and consumer durables, among others - reported unprecedented growth. India de-grew at a relatively improved 7.5 per cent in the July-September quarter and reported 0.4 per cent growth in the October-December quarter and a 1.6% growth in the last quarter of the year under review.

The result is that India's GDP contracted 7.3% during 2020-21, largely on account of the sharp depreciation of the first two quarters. This sharp Indian recovery – one of the most decisive among major economies – validated India's robust long-term consumption potential.

Y-o-Y growth of the Indian economy

	FY18	FY19	FY20	FY21
Real GDP growth (%)	7	6.1	4.2	(7.3)

Growth of the Indian economy, 2020-21

	Q1, FY21	Q2, FY21	Q3, FY21	Q4, FY21
Real GDP growth (%)	(23.9)	(7.5)	0.4	1.6

Indian economic reforms and recovery

There were a number of positive features of the Indian economy during the year under review.

India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2020-21 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy.

The per capita income was estimated to have declined by 5% from ₹1.35 lakh in 2019-20 to ₹1.27 lakh in 2020-21, which was considered moderate in view of the extensive demand destruction in the first two quarters of 2020-21.

A slowdown in economic growth and inflation weakened the country's currency rate nearly 2.83% in 2020 from ₹71.28 to ₹73.30 to a US dollar before recovering towards the close of the financial year.

Despite the gloomy economic scenario, foreign direct investments (FDI) in India increased 13% to US$57 billion in 2020.

The gap between government expenditure and revenue was estimated at ~₹12 trillion due to increased borrowing by the government in May 2020 to address the COVID-19 outbreak.

India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking and was the only country in the emerging market basket that received positive FPIs of $23.6 billion in 2020; the country ranked eighth among the world's top stock markets with a market capitalisation of $2.5 trillion in 2020.

The Indian government initiated structural reforms in agriculture, labour laws and medium-small enterprise segments. The labour reforms were intended to empower MSMEs to increase employment, enhance labour productivity and wages.

India extended the Partial Credit Guarantee Scheme by relaxing the criteria and allowing state-owned lenders more time to purchase liabilities of shadow banks. Under the ₹45,000-crore partial credit guarantee scheme, announced as a part of the Atmanirbhar Bharat package, three additional months were given to banks to purchase the portfolio of non-banking financial companies.

The government approved amendments to the Essential Commodities Act and brought an ordinance to allow farmers to sell their crop to anyone; the changes to the Essential Commodities Act, 1955, were intended to 'deregulate' agricultural commodities (cereals, pulses, oilseeds, edible oils, onions and potatoes from stock limits). The government approved the Farming Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020, to ensure barrier-free trade in agriculture produce.

The Government relaxed foreign direct investment (FDI) norms for sectors like defence, coal mining, contract manufacturing and single-brand retail trading.

The Union Cabinet approved the production-linked incentive (PLI) scheme for 10 sectors: pharmaceuticals, automobiles and auto components, telecom and networking products, advanced chemistry cell batteries, textile, food products, solar modules, white goods and specialty steel. These incentives could attract outsized investments, catalysing India's growth journey.

India's foreign exchange reserves continue to be in record setting mode – FY21 saw $101.5 billion dollars accretion in reserves, the steepest rise in foreign exchange reserves in any financial year; India's forex reserves are ranked third after Japan and China and can cover more than a year's import payments.

OUTLOOK

The outlook for the country appears to be improving following a sharp second surge of the pandemic in the first quarter of 2021-22. A medium-term optimism is that three down cycles – long-term, medium-term and short-term – could well be reversing at the same time. The long-term downtrend, as a result of non-performing assets, scams and overcapacity could be over; the medium-term downtrend that was caused by the ILFS crisis, select banks collapse and weakening NBFCs could well be over; the short-term downtrend on account of the pandemic has weakened following the acceleration of the vaccine.

There is a possibility of each of these downtrends having played out, which could well lead to a multi-year revival in capital investments. Besides, a change in the US leadership could result in a revival in global, trade, benefiting Indian exporters.

The Indian government kept the inflation target of, the monetary policy framework unchanged at 2-6 % for the next five years, until the fiscal year 2025-26, measured in terms of consumer price index (CPI)-based inflation.

The Indian economy is projected to grow in the high single digit percentages in FY22 as per various institutional estimates, making it one of the fastest-growing economies. India's growth journey could be the result of a culmination of favourable tailwinds like consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine, among others.

SEGMENT OVERVIEW

Indian furniture market overview

This prospects of the segment are being discussed in view of it being a prominent downstream customer for Century Plyboards. The Indian furniture market size was estimated at USD 55 billion and is expected to grow at a CAGR of 12.91% during the period 2020-2024, while the global furniture market was estimated at USD 1.1 trillion in 2020. The Indian furniture market accounted for 5% of the global demand, which indicates a growth potential especially at a time when a number of global buyers look forward to India as an alternative to China as a furniture manufacturing base.

The Covid-19 induced lockdown emerged as a game-changer for furniture demand. The current situation transformed consumer preferences as the demand for multi-functional, comfortable and aesthetic furniture increased, a trend likely to extend into 2021. An increasing focus on sustainability and recycling is making customers informed in substituting plastic furniture with engineered wooden/ refurbished equivalents. A rise in e-retail, rental furniture demand and supportive logistics infrastructure is expected to drive growth as well.

The Indian furniture market is estimated to have reached a value of US$ 2.22 billion in FY21 and projected to reach US$ 3.49 billion by FY26. One of the biggest game-changers was the sudden emergence of the Indian work-from-home (WFH) industry. The outbreak of the novel coronavirus and the resulting lockdown resulted companies opting for the work-from-home model for their employees. This resulted in the immediate increase in the sales of furniture products like study table, chairs and recliners, among others. Out of these, the largest share constituted study tables and tables in 2020.

Indian plywood market overview

This business accounted for 53 per cent of the revenues of Century Plyboards in 2020-21. The Indian plywood market was estimated at ₹222.5 billion in 2020. Plywood is manufactured by aggregating thin layers of wood veneers using powerful adhesives. Softwood, hardwood (or a combination of both), like several varieties of maple, mahogany, oak, pine, cedar, spruce etc., are used in producing plywood for various applications. The softwood plywood sheets are designed for installation on a structure's exterior, whereas, the hardwood plywood is used in manufacturing furniture and for other interior applications. In India, plywood is largely used for the manufacturing furniture, accounting for two-thirds of all the wood consumption.

On the basis of end use, the market is segmented into two parts-commercial and residential. The residential sector is the largest consumer for Indian plywood, constituting over 50% share of the market.

In the last few years, the expenditure on furniture increased as a result of increasing incomes, urbanisation, real estate investments and western influence. The introduction of new designs and diverse furniture product range helped in creating demand among consumers. The expansion of distributor network and exclusive outlets of furniture manufacturers also catalysed growth. Based on this reality, the market is expected to reach a value of USD 5.7 billion by 2024.

Indian wood and laminate flooring market overview

This business accounted for 20 per cent of the revenues of Century Plyboards in 2020-21. The Indian wood and laminate flooring market was estimated USD 3.09 billion in 2020 and is anticipated to expand at a CAGR of 6.4% over the next seven years. The introduction of engineered wood and laminates floors are emerging as alternatives for hardwood flooring, expected to grow the segment. The superiority in durability and quality and its easy maintenance function are expected to increase traction. Moreover, advancements in designing and printing technologies have enhanced the aesthetics and textures of the products, widening opportunities.

Ease of installation and requirement of less-skilled labourers of wood and laminate flooring (compared to conventional flooring materials like ceramic and stone tiles) are expected to influence product acceptance. The segment is also emerging as one of the biggest do-it-yourself flooring materials in the country.

Natural timber species like teak, maple, oak, rosewood, walnut, and bamboo are utilised in the production of wood and laminate flooring, offering high versatility. Wood and laminate flooring is resistant to stain warranting lower maintenance, favouring their use in commercial applications.

Growing population and urbanization have catalyzed construction for corporate offices, retail spaces, educational facilities, government buildings, hotels, lodging spaces, medical and healthcare units, industrial spaces and commercial utilities. This, in turn, is expected to influence the offtake of wood, laminate and flooring products.

High penetration of ceramic tiles in the Indian market is anticipated to be one of the major challenges for wood and laminates flooring acceptance. The incidence of tropical temperatures could act as a bottleneck.

Particle board and medium density fibre (MDF) board in India

This business accounted for 21% of the revenues of Century Plyboards in 2020-21. The medium-density fibre board (MDF) is an engineered wooden product, created by crushing softwood into wood fibres and integrating it with wax and resin; thereafter panels are formed by applying high pressure at high temperatures. MDF is a building material similar in application to plywood but made of segmented fibres.

The Indian particle board market is anticipated to grow at a CAGR of 11.21% between 2021 and 2024. The key factor driving the market is the rising demand for furniture in the office and hospitality sectors. The increasing preference for medium-density fibreboard (MDF) is expected to stagger the growth of the segment. In the raw material segment, wood dominated the market and is expected to grow even as bagasse is expected to report the fastest resource growth. Upcoming construction and infrastructure projects are emerging as opportunities.

Indian logistics industry overview

This business accounted for 4 per cent of the revenues of Century Plyboards in 2020-21. The logistics industry experienced a year challenged by irregular manufacturing and buying patterns, disrupted trade environment and lack of predictability. With increase in spread of the Covid-19 pandemic, the containerised trade witnessed a massive downfall with the exports during the first half of 2020, with Q2 CY20 experiencing a considerable decline of 34%. This went through an upturn in second half of the calendar year as the relaxations in lockdown brought back the normality in trade. Not only did the increase in the exports from Q2 to Q3 saw a sharp upward trajectory but the Q3 level increased by 14% YoY. However, the economic impact on consumers led to substantially lower imports, which dropped by 28 per cent as compared to the same period of 2019.

The fourth quarter of 2020 showed growth in imports and exports, moving the containerised trade towards normalcy. The demand for Indian exports continued to remain exceptionally strong, with most of it coming from consumer demand in North America and Europe.

During 2020, the Indian containerised trade business witnessed a major decline in its exports in the first half, but on the other hand, went through massive upside during the second half of the year, resulting in an ultimate rise of 1% in the annual exports. On the other hand, with contractions measured in the first 3 quarters, followed by a 36.3% QoQ growth in Q4 2020, the imports in this business experienced an overall decline of 14% in 2020

Growth drivers

Rising population: India's population is anticipated to rise from 1.38 billion people in 2020 to 1.52 billion people by 2036, driving the need for homes and corresponding furniture.

Demographic dividend: The Indian population's median age is expected to reach 28 years in 2022 as against a global average of 30 years, indicating a youthful population willing to spend.

Urbanisation: India's urban population is anticipated to rise from 34.47% in 2020 to 39% by 2036 on a larger population count, strengthening the demand for housing and furniture.

Development of the real estate sector: The Indian real estate sector is expected to grow from USD 180 billion in 2020 to USD 1 trillion by 2030, catalysing the demand for furniture.

Pradhan Mantri Awas Yojana (PMAY): Under the PMAY scheme, 1.12 crore urban houses were sanctioned, creating a larger furniture demand.

Policy support: With Government initiatives like 'Make in India' and 'Vocal for local', the Indian manufacturing sector has gained momentum; the Government of India aims to increase the share of the manufacturing sector from 16% to 25% by 2025.

Rental furniture: Due to increased financial uncertainty and economic contraction in the first half of FY 2020-21, the younger population opted to rent furniture from online portals instead of buying outright.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)

Strengths

- The Company enjoys global prospects in addition to a growing presence in India
- The Company possess a wide product portfolio addressing diverse customer segments
- The Company has a deep and wide distribution channel that ensures consistent product availability
- The Company enjoys organized market leadership due to a strong brand
- The Company enjoys strategic presence of manufacturing plants, empowering quick product turnaround
- The company is present in businesses marked by a high entry cost for intending entrants

Weaknesses

- Competition is strong especially from unorganized players in the lower priced segment
- Decision making is largely influenced by architects, carpenters and other opinion makers
- Excess of supply over demand in various product segments is putting margins under pressure

Opportunities

- Growth in the national per capita income (except for 2020-21)
- Rising demand for engineered wood products
- A young Indian population
- Increased penetration of the organized furniture sector following GST introduction

Threats

- Products are available at lower prices from unorganized players
- Lower availability of raw materials
- Reluctance of timber-rich countries to permit export without value-addition
- Rise in the cost of raw materials

SEGMENT OVERVIEW, 2020-21

Plywood

- The company retained its leadership of this segment
- Revenue of the segment declined by 9% during the year under review, valued at ₹1123.17 crore in comparison to ₹1,234.29 crore during FY 2019-20.
- EBITDA margin stood at 10.8% as against 9.1% in FY 2019-20.
- Average realisations per unit of the end product strengthened 1.2% over the last year
- Capacity utilization was 68%

Laminates

- Revenue of the segment declined from ₹463.34 crore in FY 2019-20 to ₹415.02 crore
- EBITDA margin of the segment increased from 13.5% in FY 2019-20 to 17.9%
- Average realisations per unit of the end product remained unchanged compared to last year
- Capacity utilization was 74%

Medium Density Fibre board

- Revenue from the segment increased 2.47% to ₹359.40 crore in comparison to ₹350.52 crore in FY 2019-20
- EBITDA margin stood at 25.8% as against 24.7% in FY 2019-20.
- Total volume witnessed a decrease of 3.87% during the year under review, with the current level standing at 147251 cbm.
- Capacity utilization was 72%

Particle board

- Revenue from the segment declined 9.1% to ₹90.08 crore as against ₹99.11 crore in FY 2019-20
- EBITDA margin was 20.1% as against 24.3% in FY 2019-20
- Total volume decreased 12.39% to 54971 cbm.
- Capacity utilization was 102%

Logistics

- Revenues decreased from ₹86.50 crore in FY 2019-20 to ₹82.33 crore in FY 2020-21.
- EBITDA margin was 29.4% as against 33.8% in FY 2019-20

DISCUSSION ON PERFORMANCE, FINANCIAL YEAR 2020-21

Balance Sheet

- Total borrowings including buyers' credit for FY2020-21 stood at ₹124.53 crore compared to ₹253.12 crore during FY2019-20
- Total net fixed assets for FY2020-21 stood at ₹681.72 crore compared to ₹721.10 crore in FY2019-20
- Net worth stood at ₹1261.21 crore as on 31st March, 2021 compared to ₹1069.71 crore as on 31st March, 2020, an increase of 17.90%.
- Inventories decreased by 6.8% from ₹354.10 crore as on 31st March, 2020 to ₹330.16 crore as on 31st March 2021.

Profit and loss statement

- Revenues from operations decreased 7.4% from ₹2282.68 crore in FY2019-20 to ₹2113.48 crore in FY2020-21
- EBITDA increased to ₹334.25 crore in FY2020-21 compared to ₹315.18 crore in FY2019-20
- Profit after tax was witnessed at ₹192.07 crore in FY2020-21, with an increase of 21.4%
- Depreciation and amortisation stood at ₹62.63 crore in FY2020-21 compared to ₹67.55 crore in FY2019-20

KEY FINANCIAL RATIO- SIGNIFICANT CHANGES AND EXPLANATIONS

Ratio	FY2020-21	FY2019-20
Debtors Turnover (Days)	51	41
Inventory Turnover	57 (34 days for raw material and 23 days for finished goods)	57 (30 days for raw material and 27 days for finished goods)
Interest Coverage Ratio	25.17 times	6.65 times
Current Ratio (with short term borrowings)	1.87	1.49
Debt Equity Ratio	0.09	0.22
Operating Profit Margin (%) (EBIT Margin)	12.85%	10.85%
Net Profit Margin (%) / PAT	9.09%	6.90%
Return on Net Worth/ Average Equity	16.43%	15.49%
EBITDA Margin	15.82%	13.80%
Earnings per share (₹)	8.64	7.12
Fixed Asset Turnover Ratio	3.01	3.13
Return on Average capital employed	20%	17.60%

Details of significant changes in the key financial ratios: (i.e. change of 25% or more as compared to the immediately previous financial year)

(1) Interest Coverage Ratio: Ratio has significantly improved due to substantial reduction in debt resulting in lower interest payment and increased in profitability

(2) Current Ratio: Ratio has significantly improved due to a substantial reduction in debt

(3) Net Profit Margin: This has increased significantly due to higher profits resulting out of cost reduction and improved realizations

(4) Return on Net Worth/ Average Equity: This has improved due to increased profitability

Apart from this, there has not been a change of 25% or more in any of the aforesaid key financial ratios.

RISKS AND CONCERNS

Risk management

Risks are an integral part for a business. However, effective risk management is fundamental to the business activities of a company. Effective risk management comprises reducing the element of surprise, improve services, ensuring proactive change management, sourcing resources efficiently, optimized utilisation, leakage prevention and reduced wastage. While we remain committed to increasing shareholder value by developing and growing our business within our Board-determined risk appetite, we are mindful of achieving this objective in line with the interests of all stakeholders.

How Century Plyboards has created a progressively de-risked model

Overview

In a world marked by Black Swans and economic slowdowns, there is a growing priority on profit protection over linear growth. This priority brings into play the need for comprehensive risk management and mitigation. The objective of this de-risking commitment is to protect business viability during periods of economic uncertainty and initiate a rebound during economic revival.

This commitment to comprehensive de-risking has been drawn from the multi-decade experience of the Century Plyboards management, pivoted across the following priorities:

- Grow at the lowest cost, strengthening competitiveness across market cycles
- Grow with checks and balances
- Engaged in interior infrastructure products
- Presence in product spaces marked by a large operating headroom
- Recognition that growth represents potent de-risking
- Sustain growth even during economic slowness

Speed and security

At Century Plyboards, we are not as driven by 'How fast can we grow?' as much as 'How fast can we grow without compromising our security?' We have always believed that structured growth is a result of robust processes and systems. The most credible index of our governance is reflected in our credit rating, moderating debt cost and perpetuation long-term profitability.

Century's risk management framework has translated into growth (assets, revenues, profits and cash flows) coupled with resistance to economic troughs. This attribute was validated in a volatile 2020-21 when the Indian economy de-grew, but Century not only managed to retain its revenues substantially but also increase profitability.

How we manage risks in our business

At Century Plyboards, sustainability is derived through the identification of probable business downsides and their proactive de-risking. This aspect is gaining increased relevance in a world where businesses and realities are marked by a larger number of uncertainties (Black Swans). The more competently we manage these risks, the stronger our capability to weather market cycles and the various unforeseens. The 'how' influences the 'what': the process influences the effectiveness of risk mitigation at our company.

This is particularly critical in the interior infrastructure sector warranting technology intensity and process consistency. At Century Plyboards, we believe that this consistency is derived from a corporate consistency: the enunciation of a stable corporate strategy, focus on long-term business sustainability over short-term profitability and a clear understanding across all stakeholders of the doables and non-doables within the company's operating matrix.

At Century Plyboards, our risk management practices are founded on our guiding principles, which we consistently strive to apply across all our risk categories. The purpose of Company's Risk Management Committee is to ensure that the executive management team has a risk management framework in place that includes policy, procedures and assessment methodologies that helps the Company monitor and manage organizational risks effectively.

This predictability has enhanced process stability, effort outcomes and strengthened corporate sustainability. In view of this, risk management is not peripheral to the Company's existence but integral to it; it is not just a short-term priority but a long-term essential.

Blueprint

At Century Plyboards, we believe that a documented framework represents the heart of our governance commitment.

This documentation of our intent is a statement of all that we stand for and how we intend to conduct business. Over the years, we have documented this intent through various policies addressing all our stakeholders. On the one hand, we have created overarching conduct on how we – collectively and individually – will engage across a range of operations. Besides, we have dovetailed this process roadmap with an extensive documentation discipline that has not only enhanced traceability but also strengthened a review process that has helped correct deviations with speed, shrunk the learning curve, enhanced process predictability and identified benchmarks leading to sustainable improvement. The result is a systems-driven organization, enhancing business sustainability.

Strategic implementation and the risk management cycle

The Company addresses risk management from the strategic to the operational level - risk identification, measurement, analysis and assessment; our risk reporting, limitation (reduction to a level we have deemed appropriate) and monitoring enables us to closely follow all major risks.

Risk identification: At Century Plyboards, risks are identified with the help of relevant systems and indicators (quantitative component). Besides, our intrinsic reporting protocol makes it possible for our executives to report risks as and when they recognize.

Risk measurement: We consistently reinforce our risk measurement tools for each business function. The risks are measured at organizational and functional levels based on the risk perception of the functional teams.

Analysis and assessment: At Century Plyboards, it is vital that our risk management practices are efficient enough to enhance our financial performance. In this way our financial performance is a testimony of the efficiency of our risk management and operating model.

Risk reporting: At Century Plyboards, we periodically evaluate and report the effectiveness of our risk management to the Risk Management and other Committees covering category wise risk and the overall risks. This will potentially generate early alerts that make it possible to engage proactively in initiatives to counter the risks.

Risk management system

In 2020-21, Century Plyboards continued to strengthen its comprehensive system to promptly identify risks, assess their materiality and take measures to minimise their likelihood and losses. Risk management was applied across all management levels and functional areas.

Risk management framework objectives

Our risk management framework prescribes protocols for business conduct that seek to ensure that the risks influencing our business are competently addressed to achieve our objectives.

- Catalyse executive management in decision-making
- Mitigate the impact of threats and adverse impacts on the business
- Capitalise with speed on opportunities

Implementation

During the period under review, the Risk Management Committee held one meeting.

The Company's Board-approved Risk Management Policy comprised material risks faced by the Company that were identified and assessed. The Company set up a policy framework for ensuring better management of project profile.

The Company provided importance to prudent project (conceptualization, implementation and sustenance) practices, putting in place suitable risk mitigation measures.

The risk management framework of Century Plyboards sought to minimize the adverse impact of risks on key business objectives and enabled the Company to leverage opportunities.

The mitigation of our prominent risks, 2020-21

Risks	Potential consequences	Likelihood of sustained risk occurrence	External stimulus and our strategic response
Macro-economic risk: The business that we are in is largely influenced by economic factors – national and regional – completely outside our control	• Can potentially stagger our company's growth • Can affect our competitiveness • Can affect our relevance within our region and sector	Low	• The Indian economy is one of the fastest growing among major economies • The consumption-driven Indian economy is extensively under-consumed across products and resources especially related to interior infrastructure • The company has consistently established its presence as an outperformer, accounting for the largest share of the organized market in India

Risks	Potential consequences	Likelihood of sustained risk occurrence	External stimulus and our strategic response
Political risk: This comprises the risk of a change in the government that could review existing policies	• A rethink of existing government policies could affect prospects of all related players • This could affect the company's credit rating, which represents the highlight of its corporate standing	Low	• The Indian government announced long-term policies that have enhanced the relevance of the housing and interior infrastructure sector in India • The government has enunciated the need to accelerate housing for all, which provides the company with a robust foundation on which to grow in a sustainable manner
Regulatory risk: The business is marked by permissions and restrictions especially related to resources and raw material	• This could potentially translate into censure and operational slowdown • This could affect the company's credit-rating	Low	• We have positioned ourselves across products, customers and markets that address a growth in humankind's needs for a better living • We do believe that regulation in a core industry can streamline a largely unorganised sector, widening the market size and opportunity • The company's strategies are in line with the national direction as far as interior infrastructure investments are concerned
Competition risk: The business could attract a sharp increase in competitive ports for cargo	• Increased competition could affect growth and hence, margins	Low	• The company is the largest Indian interior infrastructure player on the strength of the largest capacity and the lowest operating costs • The company has established a respect for enhancing the appearance and longevity of the interiors of its customers
Geographic focus risk: The business focus on select geographies could expose it to risks of change in weather patterns, affecting access to resources.	• This could moderate operational and logistical competitiveness • This, in turn, could affect stakeholder confidence	Low	• The company invested in years of data-based research before it arrived at the selection of the geographies of its presence (manufacturing and resource access) • The company has not yet faced any decline in productivity based on erratic (though fleeting) weather patterns • The Company had invested in 7 manufacturing locations across 7 Indian States at the close of 2020-21, including 1 through its Subsidiary
Project management risk: An inability to commission projects on schedule could affect the company's reputation and market standing	• This could stagger revenue inflow • This could increase project cost and affect long-term project viability	Low	• The company coordinated across resource assessment, land acquisition, construction readiness, technical studies and supply chain management, resulting in projects being implemented quicker than the sectorial benchmark • The company drew on its long-standing projects management experience to commission projects on schedule and within budgeted cost

Risks	Potential consequences	Likelihood of sustained risk occurrence	External stimulus and our strategic response
Receivables risk: An inability to sell products to credible customers could affect receivables and revenues.	• Making low quality sales could results in slower inflows and probable default, necessitating provisions and write-offs • A low revenue visibility could enhance the risk quotient of sales	Low	• The Company worked with credible customers resulting in timely cash flows and virtually no payment defaults • The company worked with a receivables cycle of 51 days in 2020-21 compared with 41 days in 2019-20
Debt repayment risk: Any failure in repayment or servicing could affect reputation and prospects	• This could affect the possibility of raising additional debt • This could affect the company's credit and its prospects in mobilising debt at a low cost for onward expansion	Low	• The Company worked with virtually no debt on its books • The Company did not miss a single payment to lenders in nearly three decades of business existence • The company's interest cover was a high 25.17 in 2020-21, indicating virtually the absence of debt
Locational risk: The company could invest in the wrong manufacturing location, a risk that is difficult to correct	• The company could be affected by a decline in investment payback that could affect overall margins • The risk could affect the company's brand and organisational morale	Low	• The company conducts extensive studies across locations for port proximity, land costs and hinterland demand to arrive at an informed decision • The robustness of the company's decision making capability is reflected in each of its plants being profitable and growing year-on-year
Demand risk: There is a risk that emerging product demand may not materialize the way once forecasted	Erratic demand patterns can affect plant utilization and revenue predictability	Low	• Each of the company's product segments was selected based on a relatively under-explored demand pattern that has only grown over time • The company has selected to deal in a product mix whose relevance is only likely to increase in a prosperous India
People risk: The company could fail to attract or retain competent professionals	This could affect the company's ability to leverage knowledge, affecting its brand, productivity and profitability	Low	• The company is a preferred industry employer • The company's talent retention is the highest within its sector • The company offers unmatched professional and personal growth opportunities within its sector
Environment risk: The company may find it difficult to match tightening global ESG standards	This could invite censure, criticism and the prospect of some environmentally-conscious OEM customers moving their business to competing companies	Low	• The company has made extensive investments in moderating its carbon footprint and extending beyond regulatory requirements of the day • The company expects to derive 25 per cent of its electricity requirements from renewable energy by FY 2022-23

Risks	Potential consequences	Likelihood of sustained risk occurrence	External stimulus and our strategic response
Safety risk: The business of manufacturing and transportation could be affected by low safety standards	• Low safety could affect the company's respect • Human injury could affect worker morale	Low	• The company has invested extensively in mechanization to enhance physical safety • The company deepened its safety orientation an overarching culture, training and SOP-based processes
Liquidity risk: The company's Balance Sheet may be stretched following increasing investment requirements	• This may affect the company's liquidity and gearing • In turn, this may affect the company's credit rating and the capacity to mobilise low cost resources for onward investment	Low	• The company possesses adequate liquidity to fund existing growth needs without drawing debt or compromising Balance Sheet integrity • The company is virtually debt-free, which is fiscally prudent and comfortable
Innovation risk: The company could face brand erosion if it does not introduce new products	Slow portfolio rejuvenation could affect the company's brand among trade partners, resulting in a lower engagement	Low	The Company's R&D team consistently introduces new products that keeps trade channels energized and the end consumer engaged.
Distribution risk: Dependence on one geographic region could be a hindrance in the Company's growth if that particular region faces a demand slowdown.	• This could affect the Company's pan-India presence • This could in turn and over time affect the Company's ability to capitalise on pockets of demand upturn	Low	Century's products enjoy national availability through 28 marketing offices, covering almost all the cities and townships. The Company enjoys a presence in more than a dozen countries.
Forex fluctuation risk: This is associated with fluctuations in foreign currency exchange rates.	Volatility in currency valuations could impact the bottom-line.	Medium	The Company manages the currency risk by monitoring exposures and then hedging the forex exposure. The Company avails overseas buyers' credit, on a case-to-case basis to benefit from extended credit periods as well as manage long-term fluctuations.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company has created an enabling working environment where employees are selectively recruited, trained and provided with superior career growth. During the year under review, the Company organised various training programmes with a focus on enhancing functional and behaviourial competencies. The Company enjoys a harmonious relationship with factory workers; it comprises a blend of millennial and experienced employees. The Company's employee strength stood at 6365 as on 31st March 2021.

INTERNAL CONTROL SYSTEMS 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.

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 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

Since inception, Centuryply has been committed to uphold the highest standards of Corporate Governance. Your Company believes that good corporate governance is a cornerstone in improving its efficiency and protecting and enhancing the long-term value of all the stakeholders of the Company, without compromising on integrity, societal obligations, environment and regulatory compliances. The main tenets of our Corporate Governance Philosophy are Accountability, Transparency, Sustainability and Social Responsibility. The Board recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance. This has played a critical role in ensuring that we remain true to our culture and values.

Your Company assiduously follows the well-defined vision and values of the Company which in turn drives it towards meeting business objectives while ensuring ethical conduct with all stakeholders and in all systems and processes. As a responsible corporate citizen, your Company strives to adopt and embraces the governance practices which not only meets the applicable legislation but goes beyond that. As rightly pointed out by Mervyn King "Good corporate governance is about 'intellectual honesty' and not just sticking to rules and regulations." In line with this belief your Company ensures that the best Corporate Governance practices are consistently recognized, adopted and followed continuously, benchmarking itself against each such practice, in our endeavor to meet the stakeholder's aspirations and societal expectations. This also reflects in our business functions and in the manner with which we support the journey of our stakeholders.

Your Company firmly believes that the promotion of culture of ethics are sine qua non for sustainable business and it is increasingly being realized as the bedrock of good governance which ultimately re-instills the confidence of the stakeholder in the company. Your Company is inclined towards following highest levels of ethical standards in all its business transactions. To ensure the same, the Company has adopted various policies, codes and practices. The policies are reviewed periodically by the Board and are updated in line with amended laws and requirements.

Your 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."

BOARD OF DIRECTORS

The Board of Directors at Centuryply are at the core of its governance structure and are entrusted with the responsibility and authority of taking sagacious decisions and steering the organization in a manner that creates value for stakeholders and the society. They act as the primary interface between the Company and its various stakeholders. Your Company believes that a well-informed and an effective Board can significantly contribute to the development and growth of the Company. The Directors on the Board of Company have a judicious blend of qualities, skills, knowledge and experience. The composition and size of the Board is reviewed periodically to ensure an optimum mix of Directors with complementary skillsets and varied perspectives for constructive debates, facilitating more effective decision making.

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, 2021 is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17(1) 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 (including one Independent) further imparts a balance to the Board Processes.

As on 31st March, 2021 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 is also in place and the same is being reviewed periodically by the Board to ensure leadership continuity.

DIRECTORSHIPS, COMMITTEE MEMBERSHIPS/ CHAIRMANSHIPS AND ATTENDANCE AT MEETINGS

As stipulated under Regulation 26 of the Listing Regulations and relevant provisions of the Companies Act, 2013, your Company has received from all the Directors necessary disclosures regarding directorships/ committee memberships occupied by them in other listed entities and unlisted public limited companies. The names, category and designation of the Directors on the Board, their attendance at the Board Meetings (either in person or through video conference) held during the year 2020-21 and at the last Annual General Meeting held through video conferencing along with the number of directorships in other Companies (Listed entities as well as other entities) and Committee membership(s)/ chairmanship(s) as on 31st March, 2021 are as detailed below:

DETAILS OF DIRECTORS

Sl.	Name	DIN	Designation	Category	No. of Board Meetings attended	Attendance at the last AGM held on 9th September, 2020
1	Sri Sajjan Bhajanka	00246043	Chairman & Managing Director	Promoter - Executive	4	Yes
2	Sri Hari Prasad Agarwal*	00266005	Vice Chairman & Executive Director		3	Yes
3	Sri Sanjay Agarwal	00246132	CEO & Managing Director		4	Yes
4	Sri Prem Kumar Bhajanka	00591512	Managing Director		4	Yes
5	Sri Vishnu Khemani	01006268	Managing Director		4	Yes
6	Sri Keshav Bhajanka	03109701	Executive Director		4	Yes
7	Smt. Nikita Bansal	03109710	Executive Director		4	Yes
8	Sri Rajesh Kumar Agarwal#	00223718	Executive Director		1	-
9	Sri Ajay Baldawa	00472128	Executive Director	Executive–Non-Independent	4	Yes
10	Sri Santanu Ray@	00642736	Director	Independent- Non-Executive	4	Yes
11	Smt. Mamta Binani	00462925	Director		4	Yes
12	Sri J. P. Dua	02374358	Director		4	Yes
13	Sri Vijay Chhibber	00396838	Director		4	Yes
14	Sri Debanjan Mandal	00469622	Director		3	Yes
15	Sri Sunil Mitra	00113473	Director		4	Yes
16	Sri Probir Roy	00033045	Director		4	Yes
17	Sri Amit Kiran Deb	02107792	Director		3	Yes

* Sri Hari Prasad Agarwal, erstwhile Vice Chairman & Executive Director of the Company, expired on 18th December, 2020.

Sri Rajesh Kumar Agarwal was appointed as an Executive Director (Additional Director) effective from 9th February, 2021, subject to approval of the shareholders at the ensuing Annual General Meeting.

@ Sri Santanu Ray ceased to be Independent Director in the Company w.e.f. 1st April, 2021 upon completion of his second term as an Independent Director on 31st March, 2021.

Sri Naresh Pachisia has been appointed as an Additional Director in the Independent category with effect from 1st April, 2021.

Sl.	Name	No. of Directorship in			Membership(s) [including Chairmanship(s)] of Board Committees$
		Listed Indian Companies (other than Century Plyboards (India) Ltd.) and category of Directorships	Unlisted Indian Public Limited Companies*	Others**	
1	Sri Sajjan Bhajanka	1. Star Cement Ltd. (Exec.) 2. Shyam Century Ferrous Ltd. (Non-exec.)	4	8	4
2	Sri Hari Prasad Agarwal@	--	--	--	--
3	Sri Sanjay Agarwal	1. Star Cement Ltd. (Exec.) 2. Linc Pen & Plastics Ltd.(Indp.)	4	8	1
4	Sri Prem Kumar Bhajanka	1. Star Cement Ltd. (Non-Exec.)	4	2	-
5	Sri Vishnu Khemani	--	1	1	-
6	Sri Keshav Bhajanka	--	6	4	-
7	Smt. Nikita Bansal	--	1	-	1
8	Sri Rajesh Kumar Agarwal	1. Shyam Century Ferrous Ltd. (Non-Exec.)	8	8	3 (including 1 as Chairman)
9	Sri Ajay Baldawa	--	8	1	-
10	Sri Santanu Ray#	1. Star Cement Ltd. (Indp.) 2. La Opala RG Ltd. (Indp.) 3. SKP Securities Ltd. (Indp.) 4. Shyam Century Ferrous Ltd. (Indp.) 5. Genesis Exports Ltd. (Indp.) 6. Bharat Road Network Ltd. (Indp.)	2	-	10 (including 3 as Chairman)
11	Smt. Mamta Binani	1. KKalpana Industries (India) Ltd. (Indp.) 2. GPT Infraprojects Ltd. (Indp.) 3. Skipper Ltd.(Indp.) 4. La Opala RG Ltd. (Indp.) 5. Emami Paper Mills Limited (Indp.) 6. Balrampur Chini Mills Ltd.(Indp.)	3	-	4 (including 1 as Chairperson)
12	Sri J. P. Dua	1. Skipper Ltd. (Indp.)	3	-	4
13	Sri Vijay Chhibber	1. Dilip Buildcon Ltd.(Indp.)	2	3	1
14	Sri Debanjan Mandal	1. Industrial and Prudential Investment Company Ltd. (Indp.) 2. Spencer's Retail Ltd.(Indp.)	5	2	5
15	Sri Sunil Mitra	1. Texmaco Rail & Engineering Ltd. (Indp.) 2. CESC Limited (Indp.) 3. Firstsource Solutions Ltd. (Indp.)	5	-	7
16	Sri Probir Roy	1. Duroply Industries Ltd. (Indp.) 2. Industrial and Prudential Investment Company Ltd. (Indp.)	3	-	6 (including 1 as Chairman)
17	Sri Amit Kiran Deb	1. India Power Corporation Limited (Indp.) 2. Emami Limited (Indp.) 3. Skipper Limited (Indp.) 4. Star Cement Limited (Indp.) 5. B & A Limited (Indp.)	4	-	8 (including 4 as Chairman)

(Indp.- Independent; Exec.- Executive, Non-exec.-Non-Executive)

@ Sri Hari Prasad Agarwal, erstwhile Vice Chairman & Executive Director of the Company, expired on 18th December, 2020.

Sri Santanu Ray ceased to be Independent Director in the Company w.e.f. 1st April, 2021 upon completion of his second term as an Independent Director on 31st March, 2021.

* 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 and dormant companies.

$ includes membership of Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not and excludes Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013. Chairmanship of these Committees in only Listed Public Limited Companies considered.

The aforesaid Directors meet all the criteria as stipulated under the applicable provisions of the Companies Act, 2013 and Listing Regulations. As per the provisions of Section 165 of the Companies Act, 2013 read with Rules framed thereunder, 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. Further, as per Regulation 26 of the Listing Regulations, none of the Directors is a Member of more than ten Committees or Chairperson of more than five committees, across all the companies in which he/she is a Director. In accordance of Regulation 17A of the Listing Regulations, none of the Directors on the Board held Directorship in more than seven listed entities during the financial year 2020-21. Additionally, none of the Managing Director/ Whole-time Director of the Company is serving as an Independent Director of more than three listed entities across all entities in which he/she is a Director. None of the Independent Directors of the Company serve as non-independent director of any other Company on the Board of which any Non-Independent Director of our Company is an Independent Director.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

None of the Directors of the Company are related inter-se, except for Sri Keshav Bhajanka, Executive Director who is the son of Sri Sajjan Bhajanka, Chairman and Managing Director and Smt. Nikita Bansal, Executive Director who is the daughter of Sri Sanjay Agarwal, CEO & Managing Director.

BOARD MEETINGS & PROCEDURE

The Board of Directors acts as the supreme executive authority in controlling the management and affairs of a company. They work as a united, cohesive and co-ordinated team in achieving desired corporate goals taking into account the interest of the Company and various stakeholders associated with it. Members of the board of directors of Centuryply act on a fully informed basis and all the decisions taken by them are in good faith and with due diligence and care. The roles and responsibilities of the individual Directors are clearly divided to enable the Board to perform effectively. Your Directors function in accordance with the powers delegated under the Companies Act, 2013, Listing Regulations, Memorandum & Articles of Association and other guidelines issued by the Government of India from time to time, as may be applicable to the Company. While discharging their responsibilities, your Directors ensure that the management adheres to ethics, transparency and disclosures.

Board Meetings serve as forum for Board decision making by enabling discussions on matters placed before the Directors and facilitating decision making based on their collective judgment. The Board meets at regular intervals to discuss and decide on strategies, policies and reviews the financial performance of the Company. At least four Board Meetings are held in a year, one in each quarter to review the financial results of the Company and other items as per agenda. Additional Board Meetings, if required, are convened by giving appropriate notice, to address the specific needs of the Company. In view of the nationwide lockdown, the Company encouraged the participation of the Directors at the meetings of the Board and its Committees through video conferencing mode in accordance with the provisions of law. In order to promote cohesiveness and better participation of Directors, meetings are usually convened by giving advance Notice for the Board Meetings, in compliance with Secretarial Standard on Meeting of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India. This allows the Directors to plan their schedules and to ensure meaningful participation at the meetings. In case of business exigencies, the Board's approval are either taken by holding meetings at shorter notice or through circular resolutions, if permitted under the statute, which is noted and confirmed at the subsequent Board meeting. 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. Board Meetings are governed by well-designed and a structured agenda. All major agenda items are backed by comprehensive background information (except for the critical price sensitive information, which is circulated at the meeting) facilitating meaningful, focused and informed Board decisions. All material information is circulated to the Directors before the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. The Agenda for the meetings is circulated well in advance to the Directors to ensure that sufficient time is provided to Directors to prepare for the meeting. 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 is apprised of all major events/items and decisions together with the overall performance of the Company. As and when required, 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 and ensures compliance thereof, in letter and spirit.

The Company Secretary attends all meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings. All the discussions and decisions taken at meetings of the Board are entered in the Minute Book. As prescribed under SS-1, draft minutes are circulated to the Directors within fifteen days from the date of the meeting and suggestions or comments, if any, received from them are suitably incorporated therein, in consultation with the Chairman. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting and are usually signed by the Chairman of the succeeding meeting. The process specified for the Board meeting above are followed for the meetings of all the mandatory Committees constituted by the Board, to the extent possible. The minutes of the meetings of the Committees of the Board are placed before the Board for noting. The minutes of the subsidiary Companies are also placed before the Board on a quarterly basis.

BOARD MEETINGS HELD DURING THE YEAR

Four Board Meetings were held during the Financial Year ended 31st March, 2021. These were held on 26th June, 2020, 12th August, 2020, 10th November, 2020 and 9th February, 2021. One meeting of the Board was held in every quarter. The intervening gap between any two consecutive meetings held during the FY 2020-21 did not exceed 120 days except in case of Board Meetings held on 3rd February, 2020 and 26th June, 2020 wherein the gap exceeded 120 days due to COVID-19 pandemic for which general relaxations have already been granted by Ministry of Corporate Affairs and Securities and Exchange Board of India. The Board also passed resolution by circulation once on 29th August, 2020.

KEY BOARD QUALIFICATIONS, SKILLS, EXPERTISE AND ATTRIBUTES

Centuryply believes that the collective effectiveness of the Board is the key to success in growing businesses. The Board of your Company comprises of adequate number of Directors with such skills, knowledge, experience, expertise and competencies that will serve best to the governance and strategic needs of the Company.

In terms of Para C(2) of Schedule V of the Listing Regulations read with SEBI Circular dated 9th May, 2018, your Company's Board has identified the following core skills/expertise/competencies required in context of the Company's business and sector for it to function and discharge its responsibilities effectively and those actually available with it:

Key attributes/ areas of expertise and their description	
Industry knowledge & experience	Experience in and knowledge of the industry in which the Company operates and competitive landscape.
Leadership & Management	Extended leadership resulting in a practical understanding of the Company's processes, strategic planning, developing talent, succession planning and driving change and long-term growth.
Financial & Accounting	Proficiency in financial management, capital allocation, and financial reporting processes together with the ability to read and comprehend the financial statements.
Technical, Operations & Information Technology	Technical/ professional skills, specialised knowledge to assist with ongoing aspects of the Board's role and acceptance for digitisation, backed by thorough understanding of the operations of the Company
Behaviour & Equanimity	Effectiveness to use their knowledge and skills to function as team members; ability to remain calm, composed and collected, even under stressful or difficult circumstances; ability to work through disagreements in a productive manner thereby fostering positive working environment within the boardroom.
Global business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities
Risk Management & Legal	Experience in managing areas of major risk to the organisation; understanding of significant issues faced by the industry and the organisation, changing technology and emerging risk areas; overseeing compliance with applicable laws as well as understanding an individual Director's legal duties and responsibilities
Corporate Strategy & Arrangements	Focus on strategic planning, experience in acquisitions and other business combinations, with the ability to assess 'build or 'buy' decisions and assessing operational integration
Board Governance & Ethics	Insights on Board and management accountability, protecting shareholder interests, observing appropriate governance practices and upholding moral values
Sales & Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation

The identification of core skills of Directors is a key means by which endeavours are made to convert good Boards into great Boards. With this assessment, the Board is able to analyse whether proper balance of skills at the Board level is maintained or not. Further, it helps in identifying the gaps in core skill required for effective functioning of the Company and also the areas where Director's skills needs development. Based on identified shortcomings, need based training can be provided to the Directors to ensure that they remain abreast of all developments, which otherwise may adversely impact their performance. The specific areas of focus or expertise of individual Board members have been highlighted in the table below. Absence of a tick mark (✓) against a Director's name only indicate that he/ she may not be having an expertise in the stated attribute or skill. It is important to acknowledge that not all Directors would possess each necessary skill, but the Board as a whole must possess them. It is also to be acknowledged that competencies are not static and need to be continually updated.

Name of Director	**Key attributes/ areas of expertise**									
	Industry knowledge & experience	**Leadership & Management**	**Financial & Accounting**	**Technical, Operations & Information Technology**	**Behaviour & Equanimity**	**Global Business**	**Risk Management and Legal**	**Corporate Strategy & Arrangements**	**Board Governance & Ethics**	**Sales & Marketing**
Sri Sajjan Bhajanka	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sri Sanjay Agarwal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sri Prem Kumar Bhajanka	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sri Vishnu Khemani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sri Keshav Bhajanka	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Smt. Nikita Bansal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sri Ajay Baldawa	✓	✓	✓	✓	✓	✓	✓	-	✓	-
Sri Rajesh Kumar Agarwal*	✓	✓	✓	✓	✓	-	✓	-	✓	-
Sri Santanu Ray#	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Smt. Mamta Binani	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Sri J. P. Dua	✓	✓	✓	✓	✓	-	✓	✓	✓	-
Sri Vijay Chhibber	✓	✓	✓	✓	✓	-	✓	-	✓	✓
Sri Debanjan Mandal	✓	✓	✓	✓	✓	-	✓	✓	✓	-
Sri Sunil Mitra	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Sri Probir Roy	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Sri Amit Kiran Deb	-	✓	✓	✓	✓	✓	-	✓	✓	-
Sri Naresh Pachisia@	-	✓	✓	✓	✓	✓	✓	✓	✓	-

* Sri Rajesh Kumar Agarwal was appointed as an Executive Director (Additional Director) effective from 9th February, 2021.

Sri Santanu Ray ceased to be Independent Director in the Company w.e.f. 1st April, 2021 upon completion of his second term on 31st March, 2021.

@ Sri Naresh Pachisia has been appointed as an Additional Director in the Independent category with effect from 1st April, 2021.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Regulation 25(4) of the Listing Regulations and Section 149 read with Schedule IV of Companies Act, 2013 mandates that the Independent directors of the Company shall hold at least one meeting in a financial year without the attendance of non-independent directors and members of management. Separate meetings of the Independent Directors without the presence of Executive Directors or management representatives provides an opportunity to Independent Directors for exchanging valuable views and to raise issues to the Chairman through the Lead Independent Director. During the Financial Year 2020-21, the Independent Directors held one separate meeting on 14th January, 2021. The said Meeting was attended by all the Independent Directors of the Company.

At the said Meeting, the Independent Directors inter-alia, reviewed the performance of the Non-independent Directors, the Board as a whole and that of its Committees. They also reviewed the performance of the Chairman of the Company, after taking into account the views of Executive Directors and Non-executive Directors. 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.

DIRECTORS' INDUCTION AND FAMILIARISATION

Your Company has an elaborate and a well-structured Familiarisation Programme in adherence to Regulation 25(7) of the Listing Regulations and Schedule IV of the Companies Act, 2013. This orientation and training of the Independent Directors at the time of their joining aims to familiarise the Independent Directors with the business and operations of the Company, nature of the industry in which the Company operates and their roles, rights, responsibilities in the Company. Through the familiarisation programme, the Company apprises the independent directors about the business model, corporate strategy, business plans and operations of the Company. The programme is designed to enable the Independent Directors to play a meaningful role in the overall governance processes of the Company. 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.

Details of familiarisation programme imparted to Independent Directors and the terms and conditions of appointment of Independent Directors have also been disclosed on the website of the Company at https://www.centuryply.com/investor-information/Familiarization-Programme-Details_2020-21.pdf and https://www.centuryply.com/investor-information/Terms-and-Conditions-of-appointment-of-Independent-Directors.pdf respectively.

SUCCESSION PLANNING

The Company believes that sound succession plans for the Board members and senior leadership are very important for creating a robust future for the Company. In terms of Regulation 17(4) of the Listing Regulations, the Nomination and Remuneration Committee works with the Board on the leadership succession plan for orderly succession in the appointments of the Board of Directors and Senior Management. By integrating workforce planning with strategic business planning, the Company deploys necessary financial and human resources to meet its objectives. Succession planning and elevation within the organization, fuel the ambitions of its talent force, to earn future leadership roles. Your Company believes that an orderly succession plan is a means to pave way for the young talent to learn, implement and grow on an accelerated basis.

As the Company move through various stages of life cycle and build growth strategies to deal with changing business environments, the issue of leadership becomes critical and with it, the related issue of succession. The succession strategy of your Company essentially look ahead and plan appropriately to ensure that there is continuity and the right kind of leadership in the business, both at executive and Board level through a process of proper identification and nurturing of individuals for taking over senior management positions.

PERFORMANCE EVALUATION AND CRITERIA

In accordance with the 'Board Evaluation Policy' of the Company as laid down by the Nomination and Remuneration Committee and adopted by the Board and based on the laid down criteria and framework for Performance Evaluation, the Independent Directors at their separate Meeting held on 14th January, 2021, collectively reviewed the performance of the non-independent Directors, the Board as a whole and that of its Committees. At the said Meeting, they also reviewed the performance of the Chairman of the Company, after taking into account the views of Executive Directors and Non-executive Directors. Further, the Nomination and Remuneration Committee at its Meeting held on 21st January, 2021 carried out evaluation of performance of all the Independent Directors of the Company.

Thereafter, the consolidated Evaluation Report was discussed at the Meeting of the Board held on 9th February, 2021. 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 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-

- Size, structure and expertise of the Board;
- Development of suitable strategies and business plans at appropriate time and its effectiveness;
- Implementation of robust policies and procedures;
- 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's Evaluation (including Independent Directors)-

- Leadership & stewardship abilities;
- Participation and constructive contribution at Board / Committee meetings;

- Communication of expectations and concerns;
- contributing to clearly define corporate objectives & plans;
- Identification, monitoring and mitigation of significant corporate risks;
- Assessment of policies, structures and 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.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Board expressed its satisfaction with respect to the process of evaluation and outcome thereof. It unanimously opined that the Board and its Committees were functioning properly under the guidance of the Chairperson of the Board/ respective Committees.

INFORMATION REGARDING THE DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT

Resume and other information as required under Regulation 36 of the Listing Regulations and Para 1.2.5 of Secretarial Standard on General Meetings (SS-2), in respect of Directors retiring by rotation and seeking appointment /re-appointment forms a part of Notice convening the ensuing Annual General Meeting.

CHANGES IN DIRECTORSHIPS DURING THE FINANCIAL YEAR 2020-21 AND THEREAFTER

During the year under review, Sri Hari Prasad Agarwal, erstwhile Vice-Chairman and Executive Director of the Company, expired on 18th December, 2020. Late Hari Prasad Agarwal was associated with the Company since incorporation.

Subject to approval of the Shareholders of the Company at the ensuing Annual General Meeting, the Board of Directors at its Meeting held on 9th February, 2021, after considering the recommendations of the Nomination and Remuneration Committee and their respective consents, approved (i) appointment of Sri Rajesh Kumar Agarwal (DIN: 00223718) as an Additional Director in the Executive category with effect from 9th February, 2021 for a period of three years. (ii) appointment of Sri Naresh Pachisia (DIN: 00233768) as an Additional Director in the Independent category, not liable to retire by rotation, with effect from 1st Àpril, 2021 for a term up to 31st March, 2024, in place of Sri Santanu Ray (DIN: 00642736), who ceased to be Independent Director in the Company upon completion of his second term as Independent Director on 31st March, 2021.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 10th November, 2020 approved re-appointment of Sri Sajjan Bhajanka as an Executive Chairman and Managing Director of the Company for a further period of five years with effect from 1st April, 2021, subject to the approval of the shareholders and further subject to compliance of Regulation 17(1B) of the Listing Regulations which would become effective on 1st April, 2022, where upon, Sri Sajjan Bhajanka shall, at his discretion, opt to continue either as the Chairman or as Managing Director of the Company. Since Sri Bhajanka would be attaining the age of 70 on 3rd June, 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.

Pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of the shareholders, the Board of Directors at its meeting held on 10th November, 2020 re-appointed Sri Sanjay Agarwal and Sri Ajay Baldawa as CEO & Managing Director and Executive Director (Technical) respectively, for a further period of five years with effect from 1st July, 2021 and also re-appointed Sri Keshav Bhajanka as Executive Director of the Company for a further period of five years with effect from 28th January, 2021.

The appointment of Sri Amit Kiran Deb (DIN 02107792) as an Independent Director of the Company with effect from 1st April, 2020 for a term upto 30th September, 2023 was approved by the Shareholders at the 39th Annual General Meeting held on 9th September, 2020.

DIRECTORS' RESPONSIBILITIES

At the helm of the Corporate Governance practice are the Directors of the Company. They act as a bridge between the Company and its Stakeholders. The Directors of the Company are collectively accountable towards the Company, its various stakeholders, towards the management and the Government. The Directors of the Company constantly endeavour to discharge their fiduciary responsibilities in the best interest of the Company. The duties of Directors are not limited to being fiduciary in nature but also extends to statutory as well as regulatory duties. The Board as a whole is entrusted with the management of the Company's business and is responsible for making strategic and operational decisions for the Company which determines its long term future prosperity and protect its assets and reputation. Directors play an important role in imbibing values and ethics in the Company. As Directors, they are responsible for ensuring that the Company meets its statutory obligations. Your Company is headed by an effective Board to lead and steer the Company to attain desired goals. The role and responsibility of Directors in a company are quite onerous and multifarious.. Your Directors abide by the duties, roles and responsibilities as laid down in the Companies, Act, 2013, Listing Regulations and other applicable statutes.

ROLE OF COMPANY SECRETARY IN GOVERNANCE AND COMPLIANCE PROCESS

The Company Secretary provides the impetus, guidance and direction for achieving the objective of corporate governance. The Institute of Company Secretaries of India projects Company Secretary as 'Corporate Saviour'- a person who can be relied upon by stakeholders i.e., Corporates, Promoters, Shareholders, Government and Regulators. The Company Secretary is an important member of the corporate management team and acts as conscience keeper of the Company. He is a close confidante of the Board and commands confidence of individual directors so as to ensure that the culture of independence is promoted at the Board and Committee meetings and at the level of individual directors. The Company Secretary acts as a vital link between the Company and its Board of Directors, shareholders, government and regulatory authorities. He ensures that the Board procedures are followed and regularly reviewed and provides guidance to Chairman and the Directors on their responsibilities under various laws. 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. Even the Board understands that the Company Secretary is a "go-to" person to respond to any queries. He acts as the shareholders' first point of contact with the Company for resolving their grievances and complaints, thereby maintaining healthy investor relations. He also acts as the first point of contact for the non-executive directors by providing them induction, ongoing support and guidance.

Developing and implementing processes to promote good corporate governance has fallen largely within the ambits of the Company Secretary. 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.

COMPLIANCE

At Centuryply, we believe in being a responsible corporate citizen and thereby proactively ensures adherence to all regulatory compliance in a time bound manner. Your Company is agile and adaptive to all the dynamic regulatory changes under the abled guidance of the Company Secretary of the Company. The Company Secretary of the Company, as a governance professional, has a significant role in enforcing a compliance framework to safeguard the integrity of the organisation and to promote high standards of ethical behavior. In terms of Regulation 6 of the Listing Regulations, the Company Secretary of the Company also acts as the Compliance Officer. Apart from ensuring compliances, he also acts as an in-house legal counsel to advise the Board and the functional departments of the company on various corporate, business, economic and tax laws.

The Company Secretary is responsible for ensuring compliance with applicable statutory requirements and regulations, primarily the Companies Act, 2013, Rules thereunder and the 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. A certificate of statutory compliances duly signed by the Managing Director & CEO 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.

COMMITTEES OF THE BOARD

The Board has constituted various Committees in line with the statutory requirements which facilitates expeditious decision making. The Board Committees are sub-sets of the Board deriving their authority from the powers delegated to it by the Board. Board Committees are pillars of corporate governance. To enable better management of the Board's time and to allow in-depth scrutiny and focused attention, the Board constitutes various Committees, statutory as well as non-statutory, as a means of improving board effectiveness and efficiency where more focused, specialized and technically oriented discussions are required. Accordingly, the Board through its following Committees closely monitors various areas of business viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. All these Committees are mandated under law and operate within the terms of reference laid down by the Board. Apart from the above, the Board has also set up and laid down terms of reference for the Finance Committee and the Share Transfer Committee.

The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. These 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.

MANDATORY COMMITTEES

Audit Committee

The Audit Committee serves as one of the main pillars of corporate governance mechanism in the Company. The Committee is responsible for the oversight of the quality and integrity of the Company's accounting and reporting practices; controls and financial statements; legal and regulatory compliances; the auditors' qualifications and independence and the performance of Company's internal audit function

It acts as a liaison between the Board of Directors and the auditors- both external and internal. The Committee oversees the Management's financial reporting process to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. It assists the Board in fulfilling its responsibilities of reviewing the Company's established systems and processes for internal financial controls and internal audit processes.

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.

Terms of reference

Terms of reference of the Audit Committee are in line with the guidelines set out in Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013 read with Rules framed thereunder and as on the date of this report, 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. Reviewing and monitoring 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 and 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. 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. Reviewing 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.

xx. Reviewing the utilization of loans and/ or advances from/ investment by the Holding Company in the Subsidiary exceeding rupees 100 crore or 10% of the asset size of the Subsidiary, whichever is lower.

xxi. Reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

xxii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

Composition and attendance at Committee Meetings

The composition of the Audit Committee, meetings held during the Financial Year 2020-21 and attendance of Members thereat are as under:

Name of Members	Category	Position	Attendance at the Audit Committee Meeting held on			
			26.06.2020	12.08.2020	10.11.2020	09.02.2021
Sri Santanu Ray (till 31.03.2021)	Non –executive Independent	Chairman	Present through video conferencing	Present through video conferencing	Present through video conferencing	Present through video conferencing
Sri J. P. Dua#	Non –executive Independent	Member	Present through video conferencing	Present through video conferencing	Present through video conferencing	Present through video conferencing
Sri Probir Roy	Non –executive Independent	Member	Present through video conferencing	Present through video conferencing	Present through video conferencing	Present through video conferencing
Sri Hari Prasad Agarwal (till 18.12.2020)	Executive non-Independent	Member	Physically Present	Physically Present	Physically Present	NA
Sri Rajesh Kumar Agarwal (w.e.f. 09.02.2021)	Executive non-Independent	Member	NA	NA	NA	NA

Physically Present   Present through video conferencing   × Absent

Member till 31st March, 2021 and Chairman with effect from 1st April, 2021

@ Sri Naresh Pachisia was appointed as Member of the Audit Committee with effect from 1st April, 2021.

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. All Members of the Audit Committee are financially literate and have accounting or related financial management expertise. Sri Santanu Ray is a fellow member of the Institute of Chartered Accountants of India. Sri J P Dua is a seasoned banker with over 36 years of experience in the field of Finance and Sri Probir Roy and Sri Naresh Pachisia have extensive and rich experience in the fields of operations, strategy and risk-management.

The meetings of Audit Committee are also attended by the Chief Executive Officer, Chief Financial Officer and Internal Auditor. The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. They have attended all Audit Committee Meetings held during the year at which the financial statements have been placed for review. 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 Santanu Ray, Chairman of the Audit Committee was also present at the last Annual General Meeting.

Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee which is responsible for addressing competency requirements for the Board and senior management, based on the segment and operations of the Company.

The Committee oversees the Company's nomination process including succession planning for the senior management and the Board and assists the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors consistent with the criteria as stated by the Board in its Remuneration Policy.

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole as well as for its individual members with the objective of having a Board with diverse backgrounds and experience and expertise.

The Committee periodically identifies competency gaps in the Board and senior managerial levels, evaluates potential candidates and makes suitable recommendations to the Board. The Committee has the overall responsibility of approving and evaluating the compensation plans, policies and programme for Executive Directors and the Senior Management. The Committee reviews and recommends, as and when required, amendments to policies relating to human resource, succession planning, board diversity and criteria for payment of remuneration. The Nomination and Remuneration Committee also formulates criteria and specifies the manner for effective evaluation of performance of Board, its Committees and individual Directors. It also conducts the evaluation process as per the Board Evaluation policy.

Terms of reference

The terms of reference of the Nomination and Remuneration Committee is in line with the provisions of Regulation 19 read with Para A of Part D of Schedule II of Listing Regulations and Section 178 of the Companies Act, 2013 and includes the following:

i. Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board, a Policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

ii. Formulating the criteria and specifying the manner for effective evaluation of performance of Board, its Committees and individual Directors, reviewing its implementation and compliance 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 recommending to the Board their appointment/ removal.

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

vi. Recommending to the Board, all remuneration, in whatever form, payable to Senior Management.

vii. Recommending whether or not to extend or continue the term of appointment of the Independent Directors on the basis of the report on their performance evaluation.

Composition and attendance at Committee Meetings:

The composition of the Nomination and Remuneration Committee, meetings held during the Financial Year 2020-21 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the Nomination and Remuneration Committee Meeting held on		
			18.06.2020	10.11.2020	21.01.2021
Sri Vijay Chhibber	Non – Executive Independent	Chairman#	⊡	⊡	⊡
Sri Santanu Ray (till 31.03.2021)	Non – Executive Independent	Member	⊡	⊡	⊡
Smt. Mamta Binani	Non – Executive Independent	Member	⊡	×	⊡

Physically Present ⊡ Present through video conferencing × Absent

Chairman till 31st March, 2021 and Member with effect from 1st April, 2021.

@ Sri Sunil Mitra was appointed as Member and Chairman of Nomination and Remuneration Committee with effect from 1st April, 2021.

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. Sri Vijay Chhibber, Chairman of the Committee was also present at the last Annual General Meeting.

Remuneration policy and its salient features

Focus on productivity and pay for performance have been the centerpiece of the Company's remuneration policy. It is designed to attract, motivate, improve productivity and retain high performance talent 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 Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration. One of the key features of the Company's Remuneration Policy is that it is based on principles which supports and reinforces the achievement of the Company's vision and strategy, promotes transparency, internal as well as external equity and at the same time ensures affordability and sustainability. The Company's remuneration policy is based on the industry standards and is periodically reviewed to ensure that the pay structures are aligned with the prevalent market conditions and industry standards. The Policy lays down the guiding framework and procedure which the Committee ought to follow while recommending appointment of Board Members and Senior Management Personnel.

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. All remuneration, in whatever form, payable to Senior Management are also recommended by this Committee. 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 payable to Executive Directors involves a balance of fixed pay and a variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The remuneration payable to Executive Directors are commensurate with industry standard and are determined after taking into consideration the individual responsibilities shouldered by them, time and effort devoted and the relative performance of the Company to the industry performance. The remuneration paid to Executive Directors is proposed by the Nomination and Remuneration Committee and subsequently approved by the Board of Directors and the shareholders of the Company, whenever required. Annual increments/subsequent variation in their remuneration are approved by the Committee/Board of Directors, within the overall limits approved by the shareholders of the Company.

In addition to salary, the Executive Directors are also entitled to a variable pay in the form of commission on net profit. The commission payable to them is ascertained by the Nomination and Remuneration Committee and approved by the Board each year after taking into account the performance and reasonable ascertainment of profitability of the units/ divisions being looked after by the respective Executive Directors, besides the Company's overall performance and profitability.

In terms of Section 197 of the Companies Act, 2013 read with Rules made thereunder and Regulation 17 of the Listing Regulations, the Independent Non-Executive Directors of the Company are paid such Sitting Fees for attending the meeting of the Board of Directors and of the Committee thereof, as determined by the Board of Directors from time to time. They are also entitled to receive commission as may be recommended by Nomination and Remuneration Committee and subsequently approved by the Board of Directors within the limits prescribed in Section 197 of the Companies Act, 2013 or 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 Remuneration Policy is also available on our website and can be accessed at https://www.centuryply.com/codes-policies/Remuneration-policy.pdf. There has been no change in the policy during the current year. The Directors affirm that the remuneration paid to Directors, KMPs and employees is as per the Remuneration Policy of the Company.

Criteria for making payments to Non-executive Directors

The Independent Directors play a crucial role in the independent functioning of the Board. With continuous changes in the Corporate Governance norms, the role and responsibilities of Non-executive Directors and the degree and quality of their engagement with the Board has undergone a substantial change over a period of time. The Non- executive Directors bring in a wider perspective to the deliberations and decision making of the Board which adds value to the Company. 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: https://www.centuryply.com/codes-policies/Criteria-for-making-payment-to-the-Non-Executive-Directors.pdf.

Pecuniary relationship of Non-Executive Directors

During the year under review, an amount of ₹9.15 Lac was paid to M/s. Fox and Mandal LLP, wherein Sri Debanjan Mandal, Independent Director and his relatives are Partners. Fox & Mandal LLP renders professional services to the Company. The quantam of fees paid to M/s. Fox & Mandal LLP is an insignificant portion of their total revenue. Thus they are not to be construed to have any material association with the Company. Apart from this, no pecuniary relationship or transactions of the Non-Executive Directors of the Company vis-à-vis the Company was undertaken, other than payment of sitting fees and commission to them and reimbursement of their travelling expenses for the purpose of attending Board/ Committee meeting.

° Sitting fees

Non-Executive Directors are entitled to a Sitting fee of ₹50,000/- for each meeting of Board and ₹25,000/- for each meeting of Committees thereof attended by them together with reimbursement of reasonable actual expenses for such participation.

° Commission

The Non-Executive Directors of the Company are entitled to a profit-based commission on an annual basis based on the recommendation of Nomination and Remuneration Committee and approval of the Board in accordance with Remuneration Policy and within the approved statutory limit. Presently a sum of ₹4,00,000/- is paid to each Non-Executive Directors as commission.

Details of remuneration paid to Directors during the Financial Year 2020-21

Sl. No.	Name of the Director	Designation & Service contract	Salary (₹)		Sitting Fee (₹)	Commission (₹)	No. of shares held as on 31st March, 2021[a]
			CTC	Paid in FY 2020-21[b]			
Executive Directors:							
1.	Sri Sajjan Bhajanka	Chairman & Managing Director up to 31.03.2026[c]	1,20,00,000	60,00,000	Nil	1,43,40,500	26214037
2.	Sri Hari Prasad Agarwal	Vice-chairman & Executive Director up to 31.05.2022[d]	60,00,000	10,00,000	Nil	Nil	Nil[d]
3.	Sri Sanjay Agarwal	CEO & Managing Director up to 30.06.2026[e]	1,20,00,000	60,00,000	Nil	1,43,40,500	24880460
4.	Sri Prem Kumar Bhajanka	Managing Director up to 31.07.2023	1,20,00,000	60,00,000	Nil	3,88,62,000	4672561
5.	Sri Vishnu Khemani	Managing Director up to 31.07.2023	1,20,00,000	60,00,000	Nil	1,43,17,000	12786900
6.	Sri Keshav Bhajanka	Executive Director up to 27.01.2026[f]	50,00,000	25,00,000	Nil	29,62,500	500000
7.	Sri Ajay Baldawa	Executive Director (Technical) up to 30.06.2026[g]	2,40,00,000	2,40,00,000	Nil	Nil	75000
8.	Smt. Nikita Bansal	Executive Director up to 31.01.2022	24,00,000	12,00,000	Nil	13,93,000	69200
9.	Sri Rajesh Kumar Agarwal	Executive Director up to 08.02.2024[h]	57,06,852	7,69,370	Nil	Nil	4053882
Non-Executive Directors:							
1.	Sri Santanu Ray	Independent Director- 2nd term up to 31.03.2021[i]	--	--	4,25,000	4,00,000	Nil
2.	Smt. Mamta Binani	Independent Director- 2nd term up to 31.03.2022	--	--	3,25,000	4,00,000	Nil
3.	Sri J. P. Dua	Independent Director- 2nd term up to 31.03.2024	--	--	3,50,000	4,00,000	Nil
4.	Sri Vijay Chhibber	Independent Director- 2nd term up to 31.01.2025	--	--	3,25,000	4,00,000	Nil
5.	Sri Debanjan Mandal	Independent Director- 2nd term up to 31.07.2025	--	--	2,00,000	4,00,000	Nil

Sl. No.	Name of the Director	Designation & Service contract	Salary (₹)		Sitting Fee (₹)	Commission (₹)	No. of shares held as on 31st March, 2021[a]
			CTC	Paid in FY 2020-21[b]			
6.	Sri Sunil Mitra	Independent Director- 2nd term up to 31.07.2025	--	--	2,75,000	4,00,000	Nil
7.	Sri Probir Roy	Independent Director- 1st term up to 30.09.2022	--	--	3,50,000	4,00,000	Nil
8.	Sri Amit Kiran Deb	Independent Director-1st term up to 30.09.2023	--	--	2,00,000	4,00,000	Nil

Notes:

a. The Company has not issued any convertible instruments.

b. Executive Directors have forgone part of their monthly remuneration during initial months of Covid-19 pandemic break-out.

c. Sri Sajjan Bhajanka was re-appointed as the Chairman & Managing Director of the Company for a further period of five years w.e.f. 1st April, 2021, subject to compliance of Regulation 17(1B) of the Listing Regulations which would become effective on 1st April, 2022, where upon, he shall, at his discretion, opt to continue either as the Chairman or as Managing Director of the Company.

d. Sri Hari Prasad Agarwal, erstwhile Vice Chairman & Executive Director of the Company expired on 18th December, 2020. The shares held by him were transmitted to Sri Rajesh Kumar Agarwal, his son.

e. Sri Sanjay Agarwal was re-appointed as the CEO & Managing Director of the Company for a further period of five years w.e.f. 1st July, 2021.

f. Sri Keshav Bhajanka was re-appointed as Executive Director of the Company for a further period of five years w.e.f. 28th January, 2021.

g. Sri Ajay Baldawa was re-appointed as Executive Director (Technical) of the Company for a further period of five years w.e.f. 1st July, 2021.

h. Sri Rajesh Kumar Agarwal was appointed as Executive Director (Additional Director) of the Company for a period of three years w.e.f. 9th February, 2021.

i. The tenure of Sri Santanu Ray as an Independent Director of the Company (second term) expired on 31st March, 2021.

Sri Naresh Pachisia was appointed as an Independent Director (Additional Director) w.e.f. 1st April, 2021 till 31st March, 2024.

* All the aforesaid appointments/ re-appointments are subject to approval of the Shareholders at the ensuing Annual General Meeting.

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 into 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 an Executive Director seeking to vacate office and the resignation takes effect upon the expiration of the notice or its earlier acceptance by the Board.

The terms of disengagement of Independent Directors are governed by the formal appointment letters issued to them at the time of their appointment. 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 https://www.centuryply.com/investor-information/Terms-and-Conditions-of-appointment-of-Independent-Directors.pdf.

During the year under review, none of the Directors were paid any bonus, pension or performance-linked incentive or any other benefits. 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. Further, there was no expenditure debited in the books of accounts, which represent personal expenditure of the Directors and/ or the Top Management.

Performance evaluation criteria for independent directors

This has been discussed elsewhere in this Report.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted to oversee various aspects of interest of stakeholders including 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

The terms of reference of the Stakeholders Relationship Committee is in line with Regulation 20 read with Para B of Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013 and includes the following:

i. Investor relations and resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

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

iii. Reviewing adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;

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

v. Evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company;

vi. Providing guidance and making recommendations to improve service levels for the investors.

Composition and attendance at Committee Meetings:

The composition of the Stakeholders Relationship Committee, meetings held during the Financial Year 2020-21 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the Stakeholders Relationship Committee Meeting held on
			18.06.2020
Smt. Mamta Binani	Non –executive Independent	Chairperson	
Sri Hari Prasad Agarwal (till 18.12.2020)	Executive non-independent	Member	
Smt. Nikita Bansal	Executive non-independent	Member	
Sri Rajesh Kumar Agarwal (w.e.f. 09.02.2021)	Executive non-independent	Member	NA

Physically Present   Present through video conferencing   × Absent

The composition of the Stakeholders Relationship Committee conforms to the regulatory requirements mandated by Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Company Secretary acts as Secretary to the Committee.

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, 2021, the Company received four 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.

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee was set up to formulate and monitor the CSR Policy of the Company. 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 and overseeing implementation of the CSR programs of the Company. The Committee also recommends to the Board an annual action plan for implementation of its CSR programs. The Committee provides guidance to 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.

Terms of reference

The terms of reference of the Corporate Social Responsibility Committee is in line with the provisions of Section 135 of the Companies Act, 2013 read with Rules framed thereunder and includes the following:

i. To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy and any amendments thereto, 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 formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-

(a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

(b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;

(c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

(d) monitoring and reporting mechanism for the projects or programmes; and

(e) details of need and impact assessment, if any, for the projects undertaken by the company:

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

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 and attendance at Committee Meetings:

The composition of the CSR Committee, meetings held during the Financial Year 2020-21 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the CSR Committee Committee Meeting held on
			26.06.2020
Sri Sajjan Bhajanka	Executive non-independent	Chairman	
Sri Hari Prasad Agarwal (till 18.12.2020)	Executive non-independent	Member	
Sri Sunil Mitra	Non-executive independent	Member	
Sri Rajesh Kumar Agarwal (w.e.f. 09.02.2021)	Executive non-independent	Member	NA

 Physically Present  Present through video conferencing × Absent

The composition of the CSR Committee conforms to the regulatory requirements mandated by Section 135 of the Companies Act, 2013. The Company Secretary acts as Secretary to the Committee.

Risk Management Committee

Your Company acknowledges that establishing a sound Risk Management framework is indispensable to drive organizational success. Risks are an integral and unavoidable component of any business and are becoming increasingly complex and interconnected. Your Company is committed to managing risk in a proactive manner. Though risks cannot be completely eliminated; an effective risk management plan ensures that risks are reduced, avoided, retained or shared. Your Company follows a systematic approach to cushion the impact of the inherent risks by adopting various strategies to mitigate them at an early stage. Your Company is exposed to various kinds of risk in the major areas like economic, environment and market leadership, inflation and cost of production, legal and compliance with local laws, financial and accounting, information technology and human resource management.

Your Company has a dedicated Risk Management Committee, constituted pursuant to Listing Regulations. This Committee assists the Board in the identification, evaluation and mitigation of operational, strategic and environmental risks. This Committee also has the responsibility of monitoring and approving the risk policies and associated practices of the Company.

Your Company has a Risk Management Policy in accordance with the requirements of the Companies Act, 2013 and the Listing Regulations articulating the strategies to minimise the adverse consequence of risks on business objectives of the Company. The Policy establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. Your Company understands that risks need to be treated for their adverse effects and it also endeavours to harness the key risks in a proactive manner in order to capitalize on potential opportunities.

Terms of reference

The terms of reference of the Risk Management Committee is in line with the provisions of Regulation 21 of the Listing Regulations and as on the date of this report, includes the following:

i. Formulating a detailed risk management policy, inter-alia, covering a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee, measures for risk mitigation including systems and processes for internal control of identified risks and Business continuity plan;

ii. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

iii. Monitoring and overseeing implementation of the risk management policy, including evaluation of the adequacy of risk management systems;

iv. Periodically reviewing the risk management policy, at least once in two years, by considering *inter-alia* the changing industry dynamics and evolving complexity;

v. Framing, implementing, monitoring and reviewing the risk management plan, systems and framework including cyber security for the Company and ensuring its effectiveness;

vi. Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

vii. Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);

viii. Coordinating its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;

ix. Seeking information from any employee, obtaining outside legal or other professional advice and securing attendance of outsiders with relevant expertise, if it considers necessary;

x. Reviewing and recommending Risk Assessment and Risk Management Report for approval of the Board;

xi. Overseeing recent development in the Company and periodically updating Company's Enterprise Risk Management Program for assessing, monitoring and mitigating the risks;

xii. Periodically reviewing the adequacy of the Company's resources to perform its risk management responsibilities and achieve objectives;

xiii. Carry out responsibilities as assigned by the Board.

Composition and attendance at Committee Meetings:

The composition of the Risk Management Committee, meetings held during the Financial Year 2020-21 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the Risk Management Committee Meeting held on 11.01.2021
Sri Sanjay Agarwal	Executive non-Independent	Chairman	👤
Sri Keshav Bhajanka	Executive non-independent	Member	👤
Sri Arun Kumar Julasaria	Chief Financial Officer	Member	👤

👤 Physically Present 🖥 Present through video conferencing × Absent

@ Sri Debanjan Mandal was appointed as Member of Risk Management Committee with effect from 10th June, 2021

The composition of the Risk Management Committee conforms to the regulatory requirements mandated under Regulation 21 of the Listing Regulations. The Company Secretary acts as Secretary to the Committee.

NON-MANDATORY COMMITTEES

Share Transfer Committee

The Share Transfer Committee carries out procedural matters and inter alia, approves transmission of shares, sub-division / consolidation / renewal / issue of duplicate share certificates and other allied matters. The Committee is also responsible for issuing share certificates 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

The 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 and attendance at Committee Meetings

The composition of the Share Transfer Committee, meetings held during the Financial Year 2020-21 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the Share Transfer Committee Meeting held on		
			14.10.2020	06.11.2020	15.02.2021
Sri Hari Prasad Agarwal (till 18.12.2020)	Executive non-independent	Chairman	👤	👤	NA
Sri Rajesh Kumar Agarwal (w.e.f. 09.02.2021)	Executive non-independent	Chairman	NA	NA	👤
Sri Keshav Bhajanka	Executive non-independent	Member	👤	👤	👤
Sri Ajay Baldawa	Executive non-independent	Member	👤	👤	👤

👤 Physically Present   Present through video conferencing   × Absent

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 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 (till 18.12.2020)	Executive non-Independent	Member
4	Sri Rajesh Kumar Agarwal (w.e.f. 09.02.2021)	Executive non-Independent	Member

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

The Finance Committee met eight times during the Financial Year ended 31st March, 2021. These meetings were held on 20th May, 2020, 11th June, 2020, 17th July, 2020, 14th August, 2020, 21st September, 2020, 27th October, 2020, 4th January, 2021 and 10th February, 2021. Sri Sajjan Bhajanka and Sri Sanjay Agarwal were physically present in all the Finance Committee Meetings held during the year. Late Hari Prasad Agarwal was present physically in all Meetings held prior to his demise on 18th December, 2020. Sri Rajesh Kumar Agarwal was physically present in all the Meetings of Finance Committee held after his induction in the Committee.

GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings:

AGM	Year ended	Venue	Date	Time
37th	31.03.2018	Gyan Manch, 11 Pretoria Street, Kolkata – 700 071	14.09.2018	11-00 AM
38th	31.03.2019	Gyan Manch, 11 Pretoria Street, Kolkata – 700 071	04.09.2019	11-00 AM
39th	31.03.2020	Through VC/ OAVM from its Registered Office at P - 15/1, Taratala Road, Kolkata- 700088	09.09.2020	11-00 AM

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

AGM	Date	Subject Matter
37th	14.09.2018	(i) Re-appointment of Sri Vishnu Khemani (DIN: 01006268), as Managing Director of the Company. (ii) Revision of limits of managerial remuneration.
38th	04.09.2019	(i) Re-appointment of Sri Vijay Chhibber (DIN: 00396838) as an Independent Director. (ii) Re-appointment of Sri Sunil Mitra (DIN: 00113473) as an Independent Director. (iii) Re-appointment of Sri Debanjan Mandal (DIN: 00469622) as an Independent Director.
39th	09.09.2020	None

Extra Ordinary General Meeting

During the Financial Year ended 31st March, 2021, no Extra Ordinary General Meeting was convened.

Postal Ballot

During the year under review, the Company has not passed any resolution through Postal Ballot in accordance to the procedure prescribed in Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

Procedure followed by Company for conducting Postal Ballot:

i. Appointment of Scrutinizer who is not in the employment of the Company.

ii. Notice of postal ballot along with the explanatory statement to shareholders by following modes:

   a. By registered post or speed post or,

   b. Through electronic means like registered Email ID or,

   c. Through courier service for facilitating the communication of the assent or dissent of the shareholder to the resolution within period of thirty days.

iii. Advertisement in one English newspaper and in one vernacular language newspaper in the principal vernacular language of the district in which the registered office of the company is situated.

iv. Notice should also be placed on the website of the Company.

v. Declaration of results by the Scrutinizer after following due process.

Proposed Postal Ballot:

None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of resolution through postal ballot. As on the date of this report, the Company does not have any plans to pass any resolution through postal ballot.

DISCLOSURES

- **Related Party Transactions:**

  All related party transactions entered into during the Financial Year 2020-21 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 its senior management or other related parties 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's 'Policy on Materiality of and dealing with Related Party Transactions' framed pursuant to Regulation 23 of the Listing Regulations is available on the Company's website at: https://www.centuryply.com/codes-policies/Policy-on-Materiality-of-and-dealing-with-related-party-transcations.pdf.

- **Material Subsidiaries:** During the year ended 31st March, 2021, the Company did not have any material listed/unlisted subsidiary company as defined in Regulation 16 of the Listing Regulations. The Company's policy for determining material subsidiaries is disclosed on the Company's website at: https://www.centuryply.com/codes-policies/CPIL-Policy-on-material-subsidiary.pdf.

- **Non-compliance related to capital markets:** During the last three years there has been no instance of non-compliance on any matters related to capital markets. A Compliance Certificate from M/s. MKB & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance, as required under Listing Regulations is annexed to this Report. No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on such matters during the last three years.

- **Compliance with Indian Accounting Standards:** 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.

- **Inter-se relationships:** 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.

- **Details of funds raised:** During the year under review, the Company has not raised any money through an issue (public, rights, preferential, etc.)

- **Mandatory Compliance:** The Company has complied with all the mandatory requirements of the Listing Regulations including those specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.

- **Compliance with Secretarial Standards:** The Company has complied with Secretarial Standards on Board Meetings and General Meeting.

- **Committee recommendation:** The Board of Directors confirms that during the year, it has accepted all recommendations received from its mandatory Committees.

- **Certificate from Practicing Company Secretary on qualification of the Board:** The Company has obtained a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as Directors of any company by SEBI or Ministry of Corporate Affairs or any such statutory authorities. The certificate is annexed separately to this Report.

- **Fees to Statutory Auditors:** Total fees (excluding reimbursement of expenses) for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part was ₹52.51 Lac as per details below:

Particulars	Amount (in ₹)
Services as statutory auditors (including quarterly audits)	35,00,000
GST Audit	15,00,000
Certification Charges	2,51,000
Total	**52,51,000**

- **Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints filed during the Financial Year 2020-21	NIL
Number of complaints disposed of during the Financial Year 2020-21	NIL
Number of complaints pending as on the end of the Financial Year 2020-21	NIL

- **Disclosure of commodity price risks and commodity hedging activities:** The same has been discussed elsewhere in this Report.

- **Non-mandatory Compliance:** 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, 2021 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

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulations 4 and 22 of the Listing Regulations and in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has an approved Whistle Blower Policy/ Vigil Mechanism. The said policy was amended by the Board of Directors during the year. 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, 2021, no personnel were denied access to the Audit Committee for reporting cases under this policy.

CODE OF CONDUCT

Your Company has adopted a Code of Conduct applicable to all the Directors and Senior Management Executives of the Company ("the Code"). The Code intends to foster a culture of honesty, integrity and accountability across the organisation. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct. The Code has been posted of the website and can be accessed at https://www.centuryply.com/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 and aims at enhancing ethical and transparent process in managing the affairs of the company. 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, 2021 and a declaration to this effect, signed by the Chief Executive Officer (CEO) &Managing Director is annexed to this Report.

CODE FOR PREVENTION OF INSIDER TRADING

In line with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, your Company has adopted a Code of Conduct to regulate, monitor and report trading by Designated Persons ('Code'). The Code was revised during the year to conform to the amendments brought in by Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2020 on 17th July, 2020. The Code is available on the Company's website and can be accessed at https://www.centuryply.com/codes-policies/Code-of-Conduct-to-regulate-monitor-and-report-trading-by-Designated-Person.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.

In terms of Para 4 of Schedule B of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, meetings of the Audit Committee and the Board for consideration of financial results, were held on the same day, keeping the gap as narrow as possible, to avoid leakage of material information. Trading restriction period were made applicable from the end of every quarter till 48 hours after the declaration of financial results.

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. This is available on the Company's website at https://www.centuryply.com/codes-policies/Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-UPSI.pdf.

ANTI-BRIBERY AND ANTI- CORRUPTION POLICY

It is your Company's policy to conduct all of its businesses in an honest and ethical manner. The Company is committed to act professionally, fairly and with integrity in all its business dealings and relationships wherever it operates, and to implement and enforce effective systems to counter bribery. In furtherance of this intention, the Board of Directors approved and adopted an Anti-Bribery and Anti- Corruption Policy during the Financial Year 2019-20. Anti-Bribery and Anti- Corruption Policy inter alia requires directors, officers and employees of the Company and third parties subject to this Policy, to recognise questionable transactions, behaviour or conduct and to take steps to record, comply and follow procedures set in place to deal with such behaviour or conduct. This Policy also aims to strengthen our internal and external processes against financial risks.

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

As stipulated in Regulation 16(1)(c) of the Listing Regulations, the Company has framed a policy for determining material subsidiary and the same is available on the Company's website at https://www.centuryply.com/codes-policies/CPIL-Policy-on-material-subsidiary.pdf. The policy lays down the criteria for identification of and dealing with material subsidiaries. A detailed note on the Policy has been included elsewhere in this Annual Report.

POLICY ON MATERIALITY OF AND DEALING WITH RELATED PARTY TRANSACTIONS

Your Company has in place a Policy on Materiality of and dealing with Related Party Transactions' as required under of Regulation 23(1) of the Listing Regulations and the same is in conformity with the requirements of the provisions of Section 188 of the Companies Act, 2013. The Policy can be accessed on the website of the Company at https://www.centuryply.com/codes-policies/Policy-on-Materiality-of-and-dealing-with-related-party-transcations.pdf. The Policy is designed to govern the transparency of approval process and disclosure 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.

The Policy sets out the materiality thresholds for related parties and the manner of dealing with transactions between the Company and related parties, including omnibus approvals by Audit Committee based on the provisions of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. The Board of Directors of the Company has approved the criteria for granting of omnibus approval by the Audit Committee within the overall framework of the Policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive nature. All related party transactions are placed before the Audit Committee for review and approval.

APPOINTMENT OF INDEPENDENT DIRECTORS

The whole edifice of good corporate governance is dependent on efficacy and effectiveness of Independent Directors. Independence of Board is critical to ensure that Board fulfills its role objectively and holds management accountable to the Company. Independent Directors are expected to act in the capacity of trustees of shareholders and are required to be completely independent from the clutches of the management of the company. Independent Directors play a significant role in the governance processes of the Board by enriching the Board's decision making and also preventing possible conflicts of interest that may emerge in such decision making. Independent Directors act as a guide to the company. Independent Directors also play an active role in various committees set up by the company to ensure good governance. All Independent Directors on the Board are non-executive directors as defined under Regulation 16 of the Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 and the Regulations. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulations. 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. 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 and are not debarred from holding the office of Director by any order of SEBI or such other authority. 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 terms and conditions of appointment have also been disclosed on the website of the Company at https://www.centuryply.com/investor-information/Terms-and-Conditions-of-appointment-of-Independent-Directors.pdf.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management. They also possess the requisite skills, expertise and competencies as required in the context of the Company's businesses.

During the year, none of the Independent Director(s) of the Company resigned before the expiry of his/her tenure.

CEO AND CFO CERTIFICATION

As required under Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, a joint certificate on compliance is issued by Sri Sanjay Agarwal, CEO and Managing Director and Sri Arun Kumar Julasaria, Chief Financial Officer. The Certificate, inter-alia, confirms the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Auditors and the Audit Committee. The same has been annexed separately in this report.

MEANS OF COMMUNICATION

Your Company considers effective communication with shareholders essential to enable them to have a clear assessment of the enterprise performance. The Company endeavors to communicate with its shareholders through multiple channels of communication such as *its Annual Report, General Meetings and disclosures through Stock Exchanges and its own website. The Company believes that timely disclosure of consist*ent, 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 material corporate developments and other events which in its opinion, are material and relevant for the shareholders. Major means of communication with shareholders of the Company are as follows:

- **Financial Results:** Quarterly, half-yearly financial results of the Company are announced within 45 days and annual financial results of the Company are announced within 60 days from closure of relevant quarter/ year and 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 newspaper usually in Business Standard and Aajkal within 48 hours of approval thereof. These results are also made available on the website of the Company at www.centuryply.com.
- **Official news releases:** Official news releases and official media releases are sent to Stock Exchanges and are also displayed on the Company's website at www.centuryply.com.
- **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 made to them on financial results are duly disclosed by the Company to the Stock Exchanges and the same are simultaneously disseminated on the Company's website at www.centuryply.com. No unpublished price sensitive information is discussed in the 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.
- **Annual Report:** The Annual Report containing, inter alia, Audited Financial Statements, Audited Consolidated Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report. The Company's Annual Report is also available in a user-friendly and downloadable form in the 'Investors' section on the Company's website.
- **Reminder to Investors:** Reminders for unclaimed shares and unpaid dividend are sent to the concerned shareholders every year.

- **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.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is set out in a separate section included in this Annual Report.

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 for the Financial Year 2020-21

Day & date	Wednesday, 8th September, 2021
Time	11:00 A.M.
Venue	The Company would be conducting the AGM through VC / OAVM pursuant to the MCA Circular dated 13th January, 2021 (*). For details please refer to the Notice of AGM.
Book Closure dates	Thursday, 2nd September, 2021 to Wednesday, 8th September, 2021 (both days inclusive)

* Subject to such further guidelines as may be issued by MCA in this regard.

Dividend Payment date

Upon declaration at the ensuing Annual General Meeting, dividend shall be paid within statutory period of 30 days from the date of declaration.

Financial Year

Your Company follows the financial year starting from 1st April of a year and ending on 31st March of the following year. Tentative meeting calendar for the financial year ending on 31st March, 2022:

Particulars	Tentative Schedule
Results for the Quarter ending 30th June, 2021	First week of August, 2021
Results for the Quarter ending 30th September, 2021	First week of November, 2021
Results for the Quarter ending 31st December, 2021	First week of February, 2022
Results for the Quarter and Financial Year ending 31st March, 2022	Second week of May, 2022
Annual General Meeting for the year ending on 31st March 2022	August/ September, 2022

Listing Details

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name and address of Stock Exchange	Stock Code
National Stock Exchange of India Ltd.(NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Website: www.nseindia.com	CENTURYPLY
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Website: www.bseindia.com	532548
ISIN	INE348B01021

Payment of Listing Fees

Annual listing fees for the Financial Year(s) 2020-21 and 2021-22 has been paid to both NSE and BSE on time.

Payment of Depository Fees

Annual Custody/Issuer fee for the Financial Year(s) 2020-21 and 2021-22 has been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Stock 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 2020-21 are as follows:

Month	BSE			NSE		
	High ₹	Low ₹	Volume (No. of shares)	High ₹	Low ₹	Volume (No. of shares)
2020						
April	131.50	101.55	3,27,021	131.65	101.50	62,94,501
May	121.90	100.20	4,96,621	122.00	100.10	93,35,220
June	124.95	101.45	8,14,461	125.10	102.00	1,35,91,542
July	144.10	118.00	10,48,362	144.00	117.80	1,94,15,145
August	170.25	127.15	11,21,871	170.45	128.00	1,55,11,853
September	191.80	148.25	7,45,710	191.95	147.70	1,18,73,307
October	196.60	163.00	3,48,109	196.65	162.10	53,60,089
November	210.00	171.30	15,95,620	207.20	171.55	71,37,689
December	247.00	198.10	6,88,372	247.10	200.00	93,68,504
2021						
January	274.10	234.20	7,64,550	274.40	233.00	83,99,080
February	320.00	255.50	10,35,256	320.00	255.20	69,87,044
March	340.00	282.80	5,68,692	328.90	283.65	36,69,341

Source: BSE and NSE websites

Performance of Company's share price in comparison to BSE Sensex is as under:

Month	BSE Sensex		Company's Shares	
	Closing	% Change	Closing	% Change
2020				
April	33,717.62	14.42	122.15	10.05
May	32,424.10	(3.84)	102.20	(16.33)
June	34,915.80	7.68	117.45	14.92
July	37,606.89	7.71	128.50	9.41
August	38,628.29	2.72	149.05	15.99
September	38,067.93	(1.45)	162.40	8.96
October	39,614.07	4.06	172.75	6.37
November	44,149.72	11.45	200.35	15.98
December	47,751.33	8.16	233.05	16.32
2021				
January	46,285.77	(3.07)	264.65	13.56
February	49,099.99	6.08	306.30	15.74
March	49,509.15	0.83	318.4	3.95

Note : Figures within brackets indicate negative value

Source: BSE and NSE websites

Registrar and Share Transfer Agent

M/s. Maheshwari Datamatics Pvt. 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

The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to its Share Transfer Committee. The Committee meets at regular intervals for approving matters involving physical shares. 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/ transmission of shares.

All communications regarding share certificates, change of address, dividends, etc. should be addressed to the RTA. Transfer of shares in electronic form were processed and approved by NSDL and CDSL through their Depository Participant without the involvement of the Company. The shares lodged for transfer, transmission, etc. are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects.

As per Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition of securities or relodged transfers of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. However, investors are not barred from holding shares in physical form.

The Company obtains half-yearly certificate from a Company Secretary in Practice under Regulation 40(9) of the Listing Regulations on compliance regarding sub-division, consolidation, renewal, etc. of physical shares and submits a copy thereof to the Stock Exchanges.

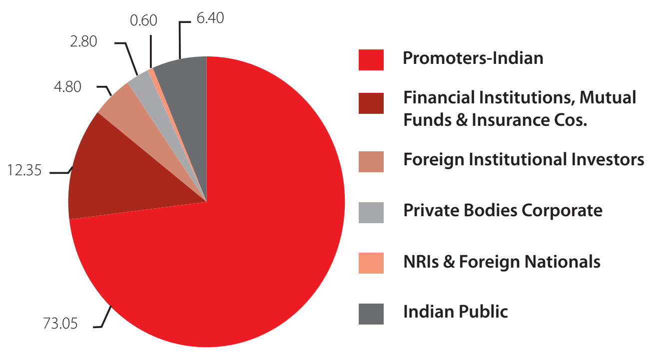
Reconciliation of Share Capital Audit

As stipulated under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, as amended, a 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 in every quarter and the report thereon is submitted to stock exchanges where the Company's shares are listed and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

Distribution of shareholding by size

Category	As on 31st March, 2021			
	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 - 500	42366	88.91	4292294	1.93
501 - 1000	2870	6.02	2076617	0.94
1001 - 2000	1140	2.39	1641530	0.74
2001 - 3000	404	0.85	1045526	0.47
3001 - 4000	174	0.37	622294	0.28
4001 - 5000	141	0.30	646827	0.29
5001 – 10000	278	0.58	2026500	0.91
Above 10000	276	0.58	209821402	94.44
TOTAL	**47649**	**100.00**	**222172990**	**100.00**

Shareholding pattern -Distribution by category



Category	As on 31st March, 2021	
	No. of Shares	% to Share Capital
Promoters- Indian	162291858	73.05
Financial Institutions, Mutual Funds, Insurance Cos., etc.	27444737	12.35
Foreign Institutional Investors	10671882	4.80
Private Bodies Corporate*	6221113	2.80
NRIs & Foreign Nationals	1334968	0.60
Indian Public#	14208432	6.40
TOTAL	**222172990**	**100.00**

* Including shares held in Unclaimed Suspense Account

Including shares transferred to Investor Education and Protection Fund

In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19th December, 2017, shareholding of the promoter and promoter group, public shareholder and non-public non-promoter shareholder have been consolidated on the basis of the PAN and folio number

Dematerialisation of shares

The Company's Equity Shares are tradable compulsorily in electronic form. We have established connectivity with both the depositories, i.e., NSDL and CDSL. The International Securities Identification Number ('ISIN') allotted to the Equity Shares under the Depository System is INE348B01021.

All shares held by Promoters/Promoter Group have been dematerialised. Shareholders who continue to hold shares in physical form are requested to dematerialise their shares at the earliest and avail the benefits of dealing in shares in demat form. We also request the Shareholders to update their bank accounts and e-mail IDs with their respective DPs.

Members are requested to note that as per SEBI guidelines, only transmission or transposition requests can be processed in physical form. All transfers shall be processed in dematerialised form only. A guidance note on dematerialisation of shares held in physical form is placed on the website of the Company at: https://www.centuryply.com/investor-information/Guidance-note-on-dematerialisation-of-shares-held-in-physical-form.pdf.

Bifurcation of shares held in physical and demat form as on 31st March, 2021

Particulars	No. of Shares	% to Share Capital#
Physical	431688	0.19
Demat *		
- NSDL (A)	193328467	87.02
- CDSL (B)	28412835	12.79
TOTAL (A + B)	221741302	99.81
TOTAL	**222172990**	**100.00**

* includes entire Promoters' shareholding.

does not include forfeited share capital

Liquidity

The Company's Equity Shares are actively traded on the NSE and BSE. Relevant data for the average daily turnover for the Financial Year 2020-21 is given below:

Particulars	NSE	BSE	Total
Shares (nos.)	469652	38372	508024
Value (₹ in Lac)	805.00	72.86	877.86

Transfer of Unclaimed dividend to Investor Education and Protection Fund (IEPF)

In terms of the provisions of Sections 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends which remain unpaid/ unclaimed for a period of seven years from the date of transfer to the unpaid dividend account have to be statutorily transferred by the Company to the Investor Education and Protection Fund (IEPF) administered by the Central Government. To ensure maximum disbursement of unclaimed dividend, 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. Once unclaimed dividend is transferred to IEPF, no claim shall lie against the Company in respect thereof. However, members may apply for refund with the IEPF authority by making an application in the prescribed Form along with fee.

Further, the details of dividend unclaimed by the Members and lying with the Company as on 31st March, 2020, for the past years, have been uploaded on the Company's website at www.centuryply.com and that of the IEPF Authority, at www.iepf.gov.in.

Unclaimed Shares

In accordance with the requirement of Regulation 34(3) read with Schedule V Part F of the Listing Regulations, the Company hereunder, reports the details in respect of unclaimed shares transferred to the suspense account, 'Century Plyboards (India) Limited- Unclaimed Shares Suspense Account':

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 1st April, 2020	5	6250
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	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
Number of Shareholders and outstanding shares transferred to IEPF Demat Account during the year	1	1500
Aggregate number of shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31st March, 2021	4	4,750

Voting rights in respect of the aforesaid 4,750 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 or more consecutive years shall be transferred by the Company to the Investor Education and Protection Fund ('IEPF'). Upon transfer of such shares, all benefits, viz. bonus, dividend etc., if any, accruing on such shares shall also be credited to the IEPF and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

The aforesaid requirement of transferring shares to IEPF 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 same. 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 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 at www.centuryply.com/investors.

Adhering to the requirements as set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, during the year, the Company has transferred 7476 shares held by 41 shareholders to the demat account of IEPF authority. Altogether till date, 85147 shares held by 382 shareholders have been transferred to the demat account of IEPF authority. The voting rights on shares transferred to the IEPF Authority shall remain frozen till the rightful owner claims the shares.

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 of IEPF at www.iepf.gov.in. Thereafter, the claimant shall send a physical copy of the same along with original share certificate, and other documents as enumerated in Form No. IEPF-5, duly signed by him, to the Company Secretary, who is the Nodal Officer of the Company, at its registered office for verification and onward processing of the claim. No claims shall lie against the Company in respect of the dividend/shares so transferred.

Credit Ratings

Credit Rating by ICRA

Long term credit facilities : 'AA-' with 'Stable outlook'

Short term credit facilities : A1+

Commercial Paper : A1+

The rating of AA indicates high degree of safety regarding timely servicing of financial obligations and very low credit risk.

A 'Stable' outlook indicates expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.

The rating of A1+ indicates very strong degree of safety regarding timely payment of financial obligations and carries the lowest credit risk.

Outstanding Global Depository Receipts ('GDRs')/ American Depository Receipts ('ADRs')/ warrants or any convertible instruments, conversion date and likely impact on equity

Your Company has never issued any GDRs/ ADRs/ warrants or any convertible instruments. Hence, there are no outstanding GDRs/ ADRs/ warrants or any convertible instruments outstanding for conversion as on 31st March, 2021 having an impact on equity.

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.

Majority of the Company's payables and receivables are in US Dollars or Euro and due to fluctuations in foreign exchange prices, it is subject to foreign exchange risks. Your Company hedges its foreign currency exposure in respect of its imports, borrowings and export receivables as per its laid down policies and mainly uses forward exchange contracts for the same.

Commodity price risk and commodity hedging

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.

Your Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018.

Plant Locations

A	**Veneer and Plywood**	Kolkata Unit Kanchowki, Bishnupur, District: 24Parganas (S), West Bengal
		Chennai Unit Chinnappolapuram, Gummidipoondi, Tamil Nadu
		Karnal Unit Rambha Road, Taraori, Haryana
		Cent Ply & 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
'Century House', P-15/1, Taratala Road, Kolkata - 700088
Phone : 033-39403950
Fax : 033- 24015556
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 and Managing Director

Kolkata, 10th August, 2021

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

To
The Board of Directors
Century Plyboards (India) Ltd.
P-15/1, Taratala Road,
Kolkata - 700088

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the 'Code of Conduct for Directors and Senior Management Personnel' in respect of the financial year ended 31st March, 2021.

Sanjay Agarwal
CEO & Managing Director
Kolkata, 10th August, 2021

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To
The Board of Directors
Century Plyboards (India) Ltd.
P-15/1, Taratala Road,
Kolkata - 700088

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, 2021 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, 2021 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
Kolkata, 10th June, 2021

Arun Kumar Julasaria
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE 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, 2021, as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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, as amended.

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
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596
UDIN: A011470C000761001

Date: 10th August, 2021
Place: Kolkata

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Century Plyboards (India) Limited
P - 15/1, Taratala Road
Kolkata – 700 088
West Bengal

We have examined the relevant disclosures received from the Directors and registers, records, forms, returns maintained by Century Plyboards (India) Limited (CIN: L20101WB1982PLC034435) having its Registered office at P - 15/1, Taratala Road, Kolkata - 700088, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31 March 2021:

Sl. No.	DIN	Name	Designation	Date of appointment
1	00246043	Mr. Sajjan Bhajanka	Chairman & Managing Director	05.12.1986
2	00246132	Mr. Sanjay Agarwal	CEO & Managing Director	05.01.1982
3	00591512	Mr. Prem Kumar Bhajanka	Managing Director	16.04.2008
4	01006268	Mr. Vishnu Khemani	Managing Director	16.04.2008
5	03109701	Mr. Keshav Bhajanka	Executive Director	28.01.2016
6	03109710	Mrs. Nikita Bansal	Executive Director	01.02.2017
7	00223718	Mr. Rajesh Kumar Agarwal	Executive Director	09.02.2021
8	00472128	Mr. Ajay Baldawa	Executive Director	23.02.1994
9	00642736	Mr. Santanu Ray	Director	31.10.2011
10	00462925	Mrs. Mamta Binani	Director	24.07.2014
11	02374358	Mr. Joginder Pal Dua	Director	28.01.2016
12	00396838	Mr. Vijay Chhibber	Director	01.02.2017
13	00469622	Mr. Debanjan Mandal	Director	01.08.2017
14	00113473	Mr. Sunil Mitra	Director	03.08.2017
15	00033045	Mr. Probir Roy	Director	01.04.2019
16	02107792	Mr. Amit Kiran Deb	Director	01.04.2020

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended on 31 March 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MKB & Associates**
Company Secretaries
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596
UDIN: A011470C000760999

Date: 10th August, 2021
Place: Kolkata

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Century Plyboards (India) Limited

Independent Auditor's Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Century Plyboards (India) Limited** ("the Company"), which comprise the balance sheet as at March 31 2021, the statement of profit and loss, (including the statement of other comprehensive income), the cash flow statement and the statement of changes in equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information's (hereinafter referred to as "the Standalone financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and other comprehensive income , cash flows and statement of changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants (ICAI) of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Descriptions of Key Audit Matter	How we addressed the matter in our audit
A. Valuation of inventories Refer to note 9 to the financial statements. The Company is having Inventory of ₹ 33,016.22 lakhs as on 31st March 2021. Inventories are to be valued as per Ind AS 2. As described in the accounting policies in note 2.2(j) to the financial statements, inventories are carried at the lower of cost and net realisable value. As a result, the management applies judgment in determining the appropriate provisions against inventory of Stores, Raw Material, Finished goods and Work in progress based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory.	We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by: • Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk. • Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. • Reviewing the document and other record related to physical verification of inventories done by the management during the year. • Verifying for a sample of individual products that costs have been correctly recorded. • Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision. • Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year. **Our Conclusion :** Based on the audit procedures performed we did not identify any material exceptions in the Inventory valuation.
B. Revenue Recognition The accuracy of amounts recorded as revenue is an inherent risk due to the complexity involve. The application of revenue recognition accounting standards Ind AS 115 is complex and involves a number of judgments and estimates. Refer note no 2.4 (h)-to Critical accounting judgments including those involving estimations and Revenue recognition. Revenue is recognised when the control of the underlying products has been transferred to customer along with the satisfaction of the Company's performance obligation under a contract with customer.	As part of our audit, we understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition and evaluated the design and operative effectiveness of the financial controls from the above through our test of control procedures. • Tested a sample of sales transactions for compliance with the Company's accounting principles to assess the completeness, occurrence and accuracy of revenue recorded • Performing procedures to ensure that the revenue recognition criteria adopted by Company for all major revenue streams is appropriate and in line with the Company's accounting policies. • We tested the company's system generated reports, based on which revenue is accrued at the year end, and performed tests of details on the accrued revenue and accounts receivable balances recognized in the balance sheet at the year end. • Our tests of detail focused on transactions occurring within proximity of the year end and obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents or system generated reports. We considered the appropriateness and accuracy of any cut-off adjustments.

Descriptions of Key Audit Matter	How we addressed the matter in our audit
Due to the Company's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts and incentive schemes to be recognised based on sales made during the year is material and considered to be complex and judgmental. In view of the complexity of the revenue recognition and the judgments and estimates involved the recognition of revenue and provisions of discounts and incentives expenses was a matter of most significance to our audit.	• Tested the design, implementation and operating effectiveness of the Company's controls over computation of incentives and payout against the corresponding liability • Obtaining and inspecting, on a sample basis, supporting documentation for discounts, incentives and rebates recorded and disbursed during the year as well as credit notes issued after the year end to determine whether these were recorded appropriately. • Performed retrospective review of the management's estimate by comparing utilisation of incentives with previously recognised corresponding liability. We also considered the developments during the year and subsequent to the year-end (including the impact of COVID 19) that would significantly affect the measurement of the year end incentive liability. • Traced disclosure information to accounting records and other supporting documentation. **Our conclusion :** Based on the audit procedures performed we did not identify any material exceptions in the recognition of revenue and incentives and discount expenses.

Information Other than the Standalone financial statements and Auditor's Report Thereon

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the annual reports, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

8. Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

16. As required by section 143 (3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet, the statement of profit and loss including the statement of other comprehensive income, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 with reference to standalone financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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– Note 33 (ii) to the financial statements;

II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E

(Rajiv Singhi)
Partner
Membership No. 053518
UDIN- 21053518AAAAAB3853

Place: Kolkata
Dated: June 10, 2021

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Century Ply board India Limited of even date)

i. In respect of the Company's 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 as per phased program of verification 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. The physical verification of inventory excluding inventories in transit has been conducted at reasonable intervals by the Management during the year. The discrepancies noted on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

iv. 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. The Company has not accepted deposits from public within the meaning of section 73, 74, 75, 76 of the Act and the Rules framed there under to the extent notified.

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 on the basis of our examination of the books of account:

a. The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Customs Duty, Goods and Service tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.

b. According to the information and explanation given to us and records of the Company examined by us, the dues of sales tax, Value added tax, entry tax, income tax and duty of excise, which have not been deposited on account of any dispute and the forum where the dispute is pending as on March 31, 2021 are as under:

Name of the statute	Nature of dues	Amount (₹ In Lakh)	Year	Forum where dispute is pending
West Bengal VAT Act / Entry Tax Act	WBVAT & Entry Tax	592.91	2012-13 to 2017-18	Revision Board / Taxation Tribunal
Andhra Pradesh VAT Act	Sales tax and CST	24.02	2005- 06 to 2012-13	CTO Office
Odisha VAT Act, 2004	VAT	19.03	2011-2012 & 2012-2013	Pending at Tribunal
Other States (including Sharon)	VAT	7.70	1990-91 to 2013-14	Joint Commissioner of Commercial Taxes
Income Tax Act, 1961	Income Tax	12.36	AY 2011-12	Commissioner of Income Tax (Appeals), Kolkata
		584.14	AY 2012-13	Commissioner of Income Tax (Appeals), Kolkata
		43.09	AY 2015-16	Commissioner of Income Tax (Appeals), Kolkata
The Central Excise Act, 1944	Duty of Excise	777.72	2008-09 to 2018-19	Customs, Excise & Service Tax Appellate Tribunal, Kolkata

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 and bank. The Company did not have any borrowing from Government and dues to debenture holders as at balance sheet date.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Further the company has not taken any fresh term loan during the year.

x. Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. The Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with them to which Section 192 of the Act applies. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the company.

For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E

(Rajiv Singhi)
Partner
Membership No. 053518
UDIN- 21053518AAAAAB3853

Place: Kolkata
Dated: June 10, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 16 (f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date to the Members of Century Plyboards India Limited on the standalone financial statements as of and for the year ended March 31,2021).

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Century Plyboards (India) Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies , the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India 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 and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting system with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these standalone financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to Standalone Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements 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 with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Limitations of Internal Financial Controls over Financial Reporting with reference to standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2021, based on the internal financial control over financial reporting with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E

(Rajiv Singhi)
Partner
Membership No. 053518
UDIN- 21053518AAAAAB3853

Place: Kolkata
Dated: June 10, 2021

BALANCE SHEET as at 31st March, 2021

₹ in Lacs

		NOTES	31st March, 2021	31st March, 2020
A	ASSETS			
	Non Current Assets			
	Property, Plant and Equipment (including right of use assets)	3 A&B	68,117.89	72,049.59
	Capital Work-in-Progress	3 D	2,119.07	830.03
	Intangible Assets	3 C	54.60	59.93
	Investment in Subsidiaries	4	11,662.20	11,346.49
	Financial Assets			
	Investments In Others	4	25.37	21.77
	Loans and Advances	5	1,517.24	1,482.96
	Deferred Tax Assets	7	4,211.25	5,782.21
	Other Non-Current assets	8	2,092.19	715.03
	Total Non Current Assets		**89,799.81**	**92,288.01**
	Current Assets			
	Inventories	9	33,016.22	35,410.37
	Financial Assets			
	Investments In Others	4	11,054.30	-
	Trade Receivables	10	29,700.70	25,815.95
	Cash and cash equivalents	11	1,112.03	1,849.78
	Bank Balances other than above	11	6,434.56	272.33
	Loans and Advances	5	563.95	556.32
	Other financial assets	6	2,167.79	1,903.51
	Other Current assets	8	4,849.20	4,771.21
	Total Current Assets		**88,898.75**	**70,579.47**
	TOTAL ASSETS		**1,78,698.56**	**1,62,867.48**
B	EQUITY AND LIABILITIES			
	Equity			
	Equity Share Capital	12	2,225.27	2,225.27
	Other Equity	13	1,24,263.35	1,05,112.71
	Total Equity		**1,26,488.62**	**1,07,337.98**
	Liabilities			
	Non Current Liabilities			
	Financial Liabilities			
	Borrowings	14	2,379.17	5,293.24
	Lease Liabilities	48	1,414.89	2,127.43
	Other financial liabilities	15	-	-
	Other non-current liabilities	16	159.92	214.98
	Provisions	22	757.38	640.13
	Total Non Current Liabilities		**4,711.36**	**8,275.78**
	Current Liabilities			
	Financial Liabilities			
	Borrowings	17	7,271.35	16,829.96
	Lease Liabilities	48	860.27	573.51
	Trade Payables			
	Dues to micro and small enterprises	18	1,901.51	975.36
	Dues to others	18	19,492.91	15,132.28
	Other Financial Liabilities	19	10,086.58	9,034.91
	Contract Liability	20	1,400.86	1,033.27
	Other Current Liabilities	21	4,085.49	2,151.22
	Provisions	22	718.15	706.64
	Current tax liabilities (Net)	23	1,681.46	816.57
	Total Current Liabilities		**47,498.58**	**47,253.72**
	Total Liabilities		**52,209.94**	**55,529.50**
	TOTAL EQUITY AND LIABILITIES		**1,78,698.56**	**1,62,867.48**
	Significant Accounting Policies,Key Judgements, Estimates and Assumptions	2		

The accompanying notes form an integral part of the Standalone Financial Statements 3-51

As per our attached report of even date

For Singhi & Co.
Firm Registration No.- 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518
Place: Kolkata
Date: 10th of June, 2021

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 PROFIT AND LOSS for the year ended 31st March, 2021

₹ in Lacs

	NOTES	2020-21	2019-20
INCOME			
Revenue from Operations	24	2,11,347.70	2,28,267.70
Other Income	25	1,070.17	1,108.48
Total Income		**2,12,417.87**	**2,29,376.18**
EXPENSES			
Cost of Materials Consumed	26	76,726.81	85,082.65
Purchase of Stock-in-Trade	27	25,739.73	28,510.02
Changes in inventories of Finished Goods,Stock-in-Trade and Work-in-Progress	27	3,472.99	1,235.70
Employee Benefits Expense	28	31,827.07	34,412.98
Finance Cost	29	1,079.43	3,724.48
Depreciation and Amortisation Expense	30	6,263.15	6,755.18
Impairment loss on Investment in Subsidiary (Refer Note No.43)		-	4,563.27
Other Expenses	31	40,044.94	44,053.75
Total Expenses		**1,85,154.12**	**2,08,338.03**
Profit/(Loss) before Tax and Exceptional Items		**27,263.75**	**21,038.15**
Exceptional Items		1,181.04	-
Profit before Tax		**26,082.71**	**21,038.15**
Tax Expenses			
Current Tax		6,511.16	4,834.31
Less:Tax provision for earliar years written back		(64.27)	-
Deferred Tax		429.35	387.16
Total Tax Expenses		**6,876.24**	**5,221.47**
Profit for the year		**19,206.47**	**15,816.68**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Statement of Profit and Loss			
Re-Measurement gain/(loss) on defined benefit plans		(85.82)	(53.06)
Income tax related to above	7	29.99	18.54
Other Comprehensive Income for the year,net of tax		**(55.83)**	**(34.52)**
Total Comprehensive Income for the year		**19,150.64**	**15,782.16**
Earnings per equity share (nominal value of share ₹1/- (Previous Year ₹1/-)			
Basic and Diluted (₹)	47	8.64	7.12
Significant Accounting Policies,Key Judgements, Estimates and Assumptions	2		

The accompanying notes form an integral part of the Standalone Financial Statements 3-51

As per our attached report of even date

For Singhi & Co.
Firm Registration No.- 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518
Place: Kolkata
Date: 10th of June, 2021

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

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CEO & Managing Director
DIN:00246132

Arun Kumar Julasaria
Chief Financial Officer

Sundeep Jhunjhunwala
Company Secretary

CASH FLOW STATEMENT for the year ended 31st March, 2021

(₹ in Lacs)

	Particulars	2020-21	2019-20
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before Tax	26,082.71	21,038.15
	Adjustments for:		
	Depreciation/Amortisation	6,263.15	6,755.18
	Exceptional Items (Excise Duty Refundable added Back)	1,181.04	-
	Finance Cost	1,079.43	3,724.48
	Irrecoverable Debts & Advances Written Off	8.23	67.08
	Impairment loss on Investment in Subsidiary	-	4,563.27
	Unspent/Unclaimed Balances Written Back	(0.93)	(5.28)
	(Profit)/Loss on disposal of Property, Plant and Equipment	(215.03)	(509.47)
	Net gain on Sale of Investments carried at FVTPL	(80.69)	(110.28)
	Interest Income from financial assets at amortised cost	(94.02)	(146.66)
	Provision for Doubtful Debts provided / (written back)	-	27.24
	Unrealised Foreign Exchange Fluctuations Loss/(Gain)	(229.98)	743.95
	Operating Profit before Working Capital changes	**33,993.91**	**36,147.66**
	Adjustments for:		
	(Increase)/Decrease in Trade Receivables	(3,856.15)	3,544.96
	(Increase)/Decrease in Inventories	2,394.15	4,687.08
	(Increase)/Decrease in Financial Assets	(736.36)	3,014.66
	(Increase)/Decrease in Other Assets	83.98	(41.40)
	Increase/(Decrease) in Short Term Provisions	42.94	146.37
	Increase/(Decrease) in Financial Liabilities	18.79	210.21
	Increase/(Decrease) in Other Liabilities	3,020.23	(1,082.24)
	Increase/(Decrease) in Trade Payables	5,339.51	(233.51)
	Cash Generated from Operations	**40,301.00**	**46,393.79**
	Direct Taxes Paid (Net of Refunds)	(4,410.40)	(3,795.04)
	Net Cash generated from Operating Activities	**35,890.60**	**42,598.75**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Proceeds/(Outflow) from Margin Money Deposit	(6,163.04)	34.96
	Purchase of Property, Plant and Equipment	(6,001.41)	(5,333.95)
	Sale of Property, Plant and Equipment	842.48	3,818.63
	Purchase of Long Term Investments (Subsidiaries)	(315.71)	(6,152.37)
	Sale of Long Term Investments (Others)	(10,977.21)	110.28
	Share Application Money given (Subsidiaries)	-	1,586.07
	Loans (Given)/Refunds (net)	(7.63)	-
	Interest Received	237.82	102.39
	Net Cash used in Investing Activities	**(22,384.70)**	**(5,833.99)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Long Term Borrowings	10.64	-
	Repayment of Long Term Borrowings	(3,182.00)	(10,401.51)
	Proceeds from Short Term Borrowings	1,795.90	12,698.13
	Repayment of Short Term Borrowings	(11,342.27)	(29,624.55)
	Principal payment of lease Liablity	(425.78)	(358.18)
	Interest Paid	(1,002.89)	(3,713.86)
	Other Borrowing Cost Paid	(96.44)	(119.53)
	Dividend paid	(0.81)	(4,439.75)
	Dividend Tax Paid	-	(913.37)
	Net Cash (used in)/from Financing Activities	**(14,243.65)**	**(36,872.62)**

CASH FLOW STATEMENT for the year ended 31st March, 2021

(₹ in Lacs)

Particulars	2020-21	2019-20
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	**(737.75)**	**(107.86)**
Cash & Cash Equivalents - Opening Balance as on 1st April	1,849.78	1,957.64
Cash & Cash Equivalents - Closing Balance	1,112.03	1,849.78

The accompanying notes form an integral part of the Standalone 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 Reconciliation between opening and closing balances of liabilities arising from financing activities.

(₹ in Lacs)

Particulars	Liabilities from financing activities		
	Term Loan/Vehicle Loan from Banks & Financial Institutions	Current Borrowings	Lease Liability
Balance as at 1st April,2019	**18,257.76**	**33,633.62**	**-**
Ind AS116 Lease Liability Recognised	-	-	3,059.12
Interest accrued but not due as at 1st April,2019	44.83	86.55	-
Cash Flow (Net)	(10,401.51)	(16,926.42)	(358.18)
Non Cash Changes			
Fair Value Changes			
Forex	625.86	122.76	-
Finance Cost	1,163.30	1,535.60	245.54
Interest & Other Borrowing Cost Paid	(1,180.70)	(1,627.07)	(245.54)
Interest & Other Borrowing Cost Paid	(27.43)	4.92	-
Balance as at 31st March 2020	**8,482.11**	**16,829.96**	**2,700.94**
Interest accrued but not due as at 1st April,2020	27.43	(4.92)	-
Cash Flow (Net)	(3,171.36)	(9,546.37)	(425.78)
Non Cash Changes			
Fair Value Changes			
Forex	(129.12)	(12.24)	-
Finance Cost	252.19	823.27	208.26
Interest & Other Borrowing Cost Paid	(287.26)	(784.90)	(208.26)
Interest accrued but not due as at 31st March,2021	7.64	(33.45)	-
Balance as at 31st March,2021	**5,181.63**	**7,271.35**	**2,275.16**

3 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: 10th of June, 2021

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, 2021

A) Equity Share Capital

	Nos.	₹ in lacs
On 1st April,2019 *	**22,21,72,990**	**2,225.27**
Changes in equity share capital during the year	-	-
Balance at 31st March,2020 *	**22,21,72,990**	**2,225.27**
Changes in equity share capital during the year	-	-
Balance at 31st March,2021 *	**22,21,72,990**	**2,225.27**

* Includes amount ₹3.54 lacs received on forfeited shares (FY 2001-02)

B) Other Equity

₹ in lacs

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,2019	**1,892.77**	**317.40**	**88,091.18**	**50.00**	**990.19**	**3,345.83**	**94,687.37**
Final Dividend for the year 2018-19	-	-	(2,221.73)	-	-	-	(2,221.73)
Tax on final dividend for the year 2018-19	-	-	(456.68)	-	-	-	(456.68)
Interim Dividend for the year 2019-20	-	-	(2,221.73)	-	-	-	(2,221.73)
Tax on Interim dividend for the the year 2019-20	-	-	(456.68)	-	-	-	(456.68)
Profit for the year	-	-	15,816.68	-	-	-	15,816.68
Other Comprehensive Income for the year, net of tax:							
Remeasurement gain/(loss) on Defined Benefit Plans	-	-	-	-	-	(34.52)	(34.52)
Balance at 31st March,2020	**1,892.77**	**317.40**	**98,551.04**	**50.00**	**990.19**	**3,311.31**	**1,05,112.71**
Profit for the year	-	-	19,206.47	-	-	-	19,206.47
Other Comprehensive Income for the year, net of tax:							
Remeasurement gain/(loss) on Defined Benefit Plans	-	-	-	-	-	(55.83)	(55.83)
Balance at 31st March,2021	**1,892.77**	**317.40**	**1,17,757.51**	**50.00**	**990.19**	**3,255.48**	**1,24,263.35**

The accompanying notes are an integral part of the Standalone Financial Statements

As per our attached report of even date

For Singhi & Co.
Firm Registration No.- 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518
Place: Kolkata
Date: 10th of June, 2021

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 FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

1. Corporate Information

Century Plyboards (India) Limited ("the Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956, having its registered office at P-15/1, Taratala Road, Kolkata - 700088. 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 (MDF), Pre-laminated Boards, Particle Boards and Flush Doors and providing Container Freight Station (CFS) 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, Key Judgements, Estimates and Assumptions

2.1 Basis of Preparation of financial statements

2.1.1 Compliance with Ind As

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, to the extent applicable.

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 Ministry of Corporate Affairs (MCA) has issued certain amendments in existing Accounting Standards which are effective from July 24, 2020.

- **Definition of Material** – amendments to Ind AS 1 and Ind AS 8 -Amendments are made to Ind AS 1-

  Presentation of Financial Statements and Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, which use a consistent definition of materiality, clarify when information is material and incorporate some of the guidance in Ind AS 1 about immaterial information.

  In particular, the amendments clarify: -

  that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and

  - the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

- **Definition of a Business** – amendments to Ind AS 103- The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits.

- **COVID-19 related concessions** – amendments to Ind AS 116- Amendments to Ind AS 116 Leases, provides a practical expedient to apply rent concessions occurring as a direct consequence of the COVID-19 pandemic. Lessee that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this Standard if the change were not a lease modification.

- **Interest Rate Benchmark Reform** – amendments to Ind AS 109 and Ind AS 107- The amendments made to Ind AS 109 Financial Instruments, and Ind AS 107 Financial Instruments: Disclosures provide certain reliefs in relation to interest rate benchmark reform. The reliefs relate to hedge accounting and have the effect that the reforms should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement.

- **Ind AS 10 (Events after the Reporting Period)**- An amendment has been made by adding the disclosure for any non-adjusting events.

- **Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets): An accounting of restructuring plans has been substituted.**

  The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

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 Lacs 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

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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

The Company derives revenue principally from sale of Plywood, Laminates, MDF, Particle boards, Decorative Veneers, Flush Doors and CFS services. The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Company considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognises revenue for such services when the performance obligation is completed.

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates etc.

For incentives offered to customers/dealers, the Company makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

In case of related party transactions where related party meets the definition of customer (i.e. a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activity in exchange for consideration) and the transactions are within the scope of the standard then the revenue is recognised based on the principles of Ind AS 115.

Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

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.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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.

Minimum Alternate Tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of credit to Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

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.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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.

Effective 1st April, 2018, depreciation on property, plant and equipment is provided under Straight Line 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	8-15
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 Straight Line method over a period of 3 years.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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 Company as lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

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

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are not presented as a separate line in the Balance Sheet but presented below similar owned assets as a separate line in the PPE note under "Notes forming part of the Financial Statement".

The Company applies Ind AS 36- Impairment of Assets to determine whether a ROU asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

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 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. Non-Financial Assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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 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 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

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

(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 Fair Value through Other Comprehensive Income ("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". Investment carried at cost are subject to impairment test as per Ind AS 36 when indication of potential impairment exists.

(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 ECL 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 Effective Interest Rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised 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.

(v) 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.

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

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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 reassessing 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

Earnings 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 Measurement of fair value

a. **Financial instruments -**The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

b. **Marketable and non-marketable equity securities -** Fair value for listed shares is based on quoted market prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models. If fair value cannot be measured reliably unlisted shares are recognized at cost.

c. **Derivatives -** Fair value of financial derivatives is estimated as the present value of future cash flows, calculated by reference to quoted price curves and exchange rates as of the balance sheet date. Options are valued using appropriate option pricing models and credit spreads are applied where deemed to be significant

2.4 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 explain 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 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.

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

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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.

h. **Significant judgments when applying Ind AS 115 –** Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. The application of revenue recognition accounting standards is complex and involves a number of key judgements and estimates. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer/dealer. The Company makes estimates related to customer performance and sales volume to determine the total amounts earned and incentive to be recorded as deductions. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of control to the customer, acceptance of delivery by the customer, etc.

i. **Estimation uncertainty relating to the global health pandemic on COVID-19 -** The Company has considered internal and external information up to the date of approval of financial statements in assessing the recoverability of property plant and equipments, receivables, intangible assets, cash and cash equivalent and investments.. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions; the Company expects to recover the carrying amount of these assets. The Company has concluded that the impact of COVID – 19 is not material based on these estimates .The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic conditions.

2.5 New Standards / Amendments to Existing Standard/ New Pronouncement issued but not yet effective upto the date of issuance of the Company's Financial Statement:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Rounding Off: For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending 31.03.2021 the total income of the Company shall be considered instead of Turnover.

Additional Disclosure in Notes to Balance Sheet:

- Shareholding of Promoter: The note on Share Capital in the Financial Statements shall mention details of the Shareholding of the Promotes along with changes, if any, during the Financial Year.
- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non-Current Assets instead of Long term Loan & Advances.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specific disclosure for title deeds of Immovable Property not held in name of the Company and disclosure on revaluation of Assets
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Ratios-Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment
- Specific Disclosure Borrowing & Wilful Defaulter

Additional Disclosure in Notes to Profit & Loss Account:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

3. Property,Plant and Equipment

₹ in Lacs

	Name of Assets	COST OR VALUATION				DEPRECIATION				NET BLOCK	
		As at 1st April,2020	Additions	Disposals	As at 31st March,2021	As at 1st April,2020	Charge for the Year	Disposals	As at 31st March,2021	As at 31st March,2021	As at 31st March,2020
A	**TANGIBLE ASSETS**										
	Land & Site Development										
	- Freehold	6,350.30	34.81	31.74	6,353.37	-	-	-	-	6,353.37	6,350.30
	Factory Buildings	14,671.97	265.63	-	14,937.60	2,749.08	544.00	-	3,293.08	11,644.52	11,922.89
	Non-Factory Buildings										
	- on Freehold Land	11,131.49	181.55	-	11,313.04	1,467.91	423.59	-	1,891.50	9,421.54	9,663.58
	- on Leasehold Land	1,127.14	31.42	-	1,158.56	496.20	213.67	-	709.87	448.69	630.94
	Storage Yard on Leasehold Land	2,373.66	67.16	-	2,440.82	2,178.50	8.30	-	2,186.80	254.02	195.16
	Plant & Machinery	49,402.21	1,765.44	480.87	50,686.78	16,248.92	3,268.80	174.93	19,342.79	31,343.99	33,153.29
	Electrical Installations	3,481.16	76.85	1.32	3,556.69	1,179.99	283.18	0.97	1,462.20	2,094.49	2,301.17
	Furniture & Fixtures	2,413.57	114.04	8.32	2,519.29	525.87	218.25	5.36	738.76	1,780.53	1,887.70
	Office Equipments	1,566.68	38.83	8.37	1,597.14	669.12	240.29	7.01	902.40	694.74	897.56
	Computers	923.83	65.88	27.10	962.61	440.15	157.49	24.75	572.89	389.72	483.68
	Vehicles	3,288.35	18.68	9.40	3,297.63	1,561.31	283.58	7.67	1,837.22	1,460.41	1,727.04
B	**RIGHT OF USE ASSETS**										
	Land	3,440.69	-	-	3,440.69	604.41	604.41	-	1,208.82	2,231.87	2,836.28
	Sub Total (A+B)	**1,00,171.05**	**2,660.29**	**567.12**	**1,02,264.22**	**28,121.46**	**6,245.56**	**220.69**	**34,146.33**	**68,117.89**	**72,049.59**
C	**INTANGIBLE ASSETS**										
	Computer Softwares	350.66	12.37	0.20	362.83	290.73	17.59	0.09	308.23	54.60	59.93
	Trade Marks and Patent Rights	-	-	-	-	-	-	-	-	-	-
	Sub Total (C)	**350.66**	**12.37**	**0.20**	**362.83**	**290.73**	**17.59**	**0.09**	**308.23**	**54.60**	**59.93**
D	**CAPITAL WORK IN PROGRESS**	**830.03**	**1,569.95**	**280.91**	**2,119.07**	**-**	**-**	**-**	**-**	**2,119.07**	**830.03**
	GRAND TOTAL (A+B+C+D)	**1,01,351.74**	**4,242.61**	**848.23**	**1,04,746.12**	**28,412.19**	**6,263.15**	**220.78**	**34,454.56**	**70,291.56**	**72,939.55**

Notes :

a) Vehicles Includes taken against vehicle loan written down Value ₹699.38 Lacs (₹950.90 Lacs) [Refer Note No.14].

b) Contractual commitments for acquisition of Property,Plant & Equipments is disclosed in Note No. 33(i)

c) For assets pledged against borrowings Refer Note No.:14 & 17

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

4. INVESTMENTS

₹ in Lacs

	Face Value per share	No. of Shares	As at 31st March 2021	As at 31st March 2020
Non-Current Investments				
Unquoted Equity Instruments				
(i) 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. (Net of Impairment)	USD-1	10563926	2,711.07	2,664.93
		(10501926)		
Centuryply Myanmar Pvt. Ltd.	Kyat 1,00,000	95981	5,937.42	5,937.42
Century Gabon SUARL	FCFA 10000	149431	1,878.07	1,608.50
		(129368)		
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
Apnapan Viniyog Pvt. Ltd.	10	1422091	142.21	142.21
Century Infotech Ltd.	10	3000000	300.00	300.00
Century Panels Ltd.	10	50000	5.00	5.00
Total			**11,662.20**	**11,346.49**
(ii) Investments In Others (at FVTPL)				
OPG Power Generation Pvt. Ltd.	11.5	18400	2.12	-
Watsun Infrabuild Pvt. Ltd.	10	215000	21.50	20.02
		(200223)		
Association of Indian Panelboard Manufacturer	10	500	0.50	0.50
Indian Laminate Manufacturer's Association	1000	125	1.25	1.25
Total			**25.37**	**21.77**
Current Investments				
Mutual Funds (at FVTPL)			**11,054.30**	**-**
Aggregate amount of unquoted investments			22,741.87	11,368.26
Aggregrate amount of impairment in value of investments			-	4,563.27

5. Loans and Advances (at amortised cost)

Unsecured Considered good

₹ in Lacs

	Non Current		Current	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Unsecured considered good				
Security Deposits	1,517.24	1,482.96	106.32	106.32
Loans:				
- To a Body corporate	-	-	457.63	150.00
- To a Subsidiary Company (Refer Note No. 41)	-	-	-	300.00
Total	**1,517.24**	**1,482.96**	**563.95**	**556.32**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

6. Other Financial Assets(At Amortised Cost)

₹ in Lacs

	Current	
	31st March, 2021	31st March, 2020
Unsecured considered good		
Advances recoverable in cash or kind	1,246.15	1,095.84
Other Receivables	659.92	563.47
Interest accrued on Loans, Deposits etc	13.82	157.62
Insurance Claim Receivable	247.90	86.58
Total	**2,167.79**	**1,903.51**
Due from officer of the Company	-	-

7. Income Tax

₹ in Lacs

		31st March, 2021	31st March, 2020
(i)	**Current income tax recognised in Statement of Profit & Loss**		
	Current income tax	6,511.16	4,834.31
	Provision for tax for earlier year's written back	(64.27)	-
	Deferred tax	429.35	387.16
	Income tax expense reported in the Statement of Profit or Loss	**6,876.24**	**5,221.47**
(ii)	**Current Tax recognised for Other Comprehensive Income (OCI)**		
	Tax on net loss(gain) on remeasurement of defined benefit plan	29.99	18.54
		29.99	**18.54**
(iii)	**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	27,263.75	21,038.15
	At India's statutory income tax rate	34.94%	34.94%
	Estimated Income tax expenses	9,525.93	7,281.30
	Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
	Income exempted from tax (80IA, 80IE)	(2,049.71)	(1,567.20)
	Others (including Reversal of Deferred tax ₹106.46 (₹759.00) lacs Refer Note No.(vii) below)	(599.98)	(492.63)
	Income tax expense reported in the statement of profit and loss	**6,876.24**	**5,221.47**
(iv)	**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	861.79	816.79
	Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(2,844.78)	(2,400.42)
	Provision for doubtful debts and advances	313.02	313.02
		(1,669.97)	**(1,270.61)**
	Minimum Alternate Tax Credit Entitlement	5,881.22	7,052.82
	Deferred Tax Asset	**4,211.25**	**5,782.21**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

7. Income Tax (contd)

₹ in Lacs

		31st March, 2021	31st March, 2020
(v)	**Deferred Tax (Net) Recognised in Total Comprehensive Income**		
	a) Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	44.99	65.86
	b) Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(444.36)	(434.49)
		(399.37)	**(368.63)**

(vi) Movement in deferred tax assets and liabilities:

₹ in Lacs

Particulars	As at 1st April, 2019	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31st March, 2020	MAT credit Utilised	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31st March, 2021
Deferred Tax Assets/(Liablities)								
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	750.93	47.32	18.54	816.79	-	15.01	29.99	861.79
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(1,965.93)	(434.49)	-	(2,400.42)	-	(444.36)	-	(2,844.78)
Provision for doubtful debts and advances	313.02	-	-	313.02	-	-	-	313.02
Reversal of defer tax during lower tax regime	-	-	-	-	-	-	-	-
	(901.98)	**(387.17)**	**18.54**	**(1,270.61)**	**-**	**(429.35)**	**29.99**	**(1,669.97)**
Minimum Alternate Tax Credit Entitlement *	7,052.82	-	-	7,052.82	(1,171.60)	-	-	5,881.22
Deferred Tax Asset	**6,150.84**	**-**	**-**	**5,782.21**	**-**	**-**	**-**	**4,211.25**

* Management is certain that there will be sufficient taxable profit to utilise the MAT credit recognised in the books of accounts.

(vii) The Taxation Law (Amendments) Act 2019, in India provides an option to domestic companies to pay income-tax at a lower rate of 22% (plus applicable surcharge and cess) instead of the normal rate of 30% (plus applicable surcharge and cess) depending on the conditions specified in this behalf under section 115 BAA of the Income Tax Act, 1961. A domestic company can avail of the lower tax rate only if it opts for not availing of certain exemptions or incentives specified in this behalf in the Act. There is no time limit prescribed under the above to choose the option of lower tax rate under section 115BAA, however, once chosen it is irreversible. The Company has made an assessment of the impact of Act and decided to continue with the existing tax structure until the utilisation of MAT credit entitlement and tax incentives available to the Company. In compliance with the accounting standards, the Company has evaluated the outstanding deferred tax liability and written back an amount of ₹106.46 (₹759.00) lacs to the statement of profit and loss accounts on account of re-measurement of deferred tax liability that is expected to reverse in future when the Company would migrate to the new tax regime.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

7. Income Tax (contd)

(viii) The Company has reviewed its income tax treatments in order to determine whether they could have an impact on the financial statements and concluded that it has no material impact on the Company's financial statements. As a practice, where the interpretation of income tax law is not clear, management relies on the some or all of the following factors to determine the probability of its acceptance by the tax authority: • Strength of technical and judicial argument and clarity of the legislation; • Past experience related to similar tax treatments in its own case; • Legal and professional advice or case law related to other entities. After analysing above factors for each of such uncertain tax treatments, where the Company expects that the probability to sustain its position on ultimate resolution of such uncertain tax treatment is remote, the Company ensures that such uncertain tax positions are adequately provided for in the Company's financial Statements.

8. Other Assets

₹ in Lacs

	Non Current		Current	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Anti Dumping Duty Receivable (Refer Note No. 40)	-	-	176.66	176.66
Capital Advances Against Property, Plant & Equipment	2,068.17	581.42	-	-
Advance to Vendors	-	-	3,375.77	2,801.32
Deposits against Demand under Disputes	-	-	76.30	67.43
Balance with Statutory/Government Authorities	-	-	-	164.55
Central/State Government Subsidies Receivable	-	-	624.01	1,207.38
Prepaid Expenses	24.02	133.61	596.46	353.87
Total	**2,092.19**	**715.03**	**4,849.20**	**4,771.21**

9. Inventories

₹ in Lacs

	NOTES	31st March, 2021	31st March, 2020
(At Lower of Cost or Net Realisable Value)			
Raw Materials	26	16,388.98	15,509.85
Work-in-Progress	27	2,871.44	3,368.40
Stock in Trade	27	3,330.22	2,421.15
Finished Goods	27	7,041.92	10,927.02
Stores & Spares Parts, etc		3,383.66	3,183.95
Total		**33,016.22**	**35,410.37**
Note:-			
The above includes Stock-in-Transit			
Raw Materials		908.45	1,556.93
Stock in Trade		106.46	246.40
Inventories are pledged against the cash credit limit obtained by the Company.			
During the year ₹321.10 lacs(31st March, 2020 ₹321.10 lacs)was charged to the Statement of Profit and Loss on account of damage and slow moving inventory)			

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

10. Trade Receivables

₹ in Lacs

	Current	
	31st March, 2021	31st March, 2020
Trade Receivables (Unsecured)		
Considered Good	29,700.70	25,815.95
Receivables which have significant increase in credit risk	895.76	895.76
	30,596.46	**26,711.71**
Less:Allowances	895.76	895.76
Total	**29,700.70**	**25,815.95**
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.		
No debts are due from Directors or other officers of the Company		

11. Cash and Bank Balances

₹ in Lacs

	31st March, 2021	31st March, 2020
(i) Cash and Cash Equivalents		
Cash on hand	51.71	44.47
Balances with Banks		
On Current accounts	1,026.27	1,795.54
Cheques/Drafts on hand	34.05	9.77
Total	**1,112.03**	**1,849.78**
Note: There is no repatriation restrictions with regard to cash and cash equivalent as at the end of the reporting period and prior periods		
(ii) Bank Balances other than above		
Margin Money Deposits with Original Maturity of more than 3 months but less than 12 months	6,408.47	245.43
Unpaid Dividend Account	26.09	26.90
Total	**6,434.56**	**272.33**

12. Equity Share Capital

₹ in Lacs

	31st March, 2021	31st March, 2020
Authorised		
65,05,00,000 (65,05,00,000 as at 31st March, 2020) Equity Shares of ₹1/- each	6,505.00	6,505.00
15,00,000 (15,00,000 as at 31st March, 2020) Preference Shares of ₹10/- each	150.00	150.00
50,000 (50,000 as at 31st March, 2020) Preference Shares of ₹100/- each	50.00	50.00
Total	**6,705.00**	**6,705.00**
Issued		
22,35,52,990 (22,35,52,990 as at 31st March,2020) Equity Shares of ₹1/- each	2,235.53	2,235.53
Total	**2,235.53**	**2,235.53**
Subscribed and Paid up		
22,21,72,990 (22,21,72,990 as at 31st March,2020) 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, 2021

12. 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, 2021		31st March, 2020	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
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**

Equity Shares	31st March, 2021		31st March, 2020	
	No. of Shares	% holding	No. of Shares	% holding
Sri Sajjan Bhajanka	2,62,14,037	11.80%	2,62,14,037	11.80%
Sri Sanjay Agarwal	2,48,80,460	11.20%	2,48,80,460	11.20%
Smt. Divya Agarwal	1,67,49,750	7.54%	1,67,49,750	7.54%
Smt. Santosh Bhajanka	1,54,49,500	6.95%	1,54,49,500	6.95%
Sri Vishnu Khemani	1,27,86,900	5.76%	1,27,86,900	5.76%

As per records of the Company, including its register of members as at 31st March, 2021, 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.1,38,000 equity shares of ₹10/-each (post split 13,80,000 equity shares of ₹1 each) on which ₹3.54 lacs had been paid up, were forfeited in the year 2001-2002

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

13. Other Equity

₹ in Lacs

	31st March, 2021	31st March, 2020
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	**1,01,862.35**	**91,437.01**
Item of the Other Comprehensive Income recognised in retained earnings.	(55.83)	(34.52)
Add: Profit for the year	**19,206.47**	**15,816.68**
Less: Appropriations		
Payment of Final Dividend for the year 2018-19	-	2,221.73
Tax on final dividend for the year 2018-19	-	456.68
Interim Dividend ₹1 (NIL) per share for the year 2019-20	-	2,221.73
Tax on Interim Dividend for the year 2019-20	-	456.68
Total Appropriations	**-**	**5,356.82**
Balance at the end of the year	**1,21,012.99**	**1,01,862.35**
Total	**1,24,263.35**	**1,05,112.71**

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

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

14. Borrowings (At Amortised Cost)

₹ in Lacs

	Non Current Portion		Current Maturities	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Term Loans (Secured)				
Indian Rupee Loan from Banks	-	-	-	-
Foreign Currency Loan from Banks	2,372.84	5,150.43	2,648.47	2,716.57
Other Loans (Secured)				
Auto,Car/Vechicle Loan				
- From banks	-	142.81	149.69	472.30
- From Bodies Corporate	6.33	-	4.31	-
	2,379.17	**5,293.24**	**2,802.47**	**3,188.87**
Amount disclosed under the head " Other Current Financial Liabilities (Refer Note No.19)			(2802.47)	(3188.87)
Total	**2,379.17**	**5,293.24**	**-**	**-**

Notes:-

(a) Foreign currency term loan of ₹ 3091.93 Lacs (31st March 2020 : ₹4757.17) carries interest @6 months LIBOR + 1.30% p.a (31st March, 2020 @6 months LIBOR + 1.30% p.a.). The loan is repayable in 16 unequal quarterly installments by 31st March 2023 and is secured/to be secured by 1st charge on all the fixed assets pertaining to the Plywood Unit at Bishnupur, West Bengal on pari passu basis with other term lenders.

(b) Foreign currency term loan of ₹1929.38 Lacs (31st March, 2020 : ₹3109.83 lacs) carries interest @ 6 Months LIBOR + 1.25% p.a. (31st March, 2020 @ 6 Months LIBOR + 1.25% p.a.). The Loan is repayable in 16 equal quarterly instalments commencing from January 2019 & ending 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.

(c) Auto,Car/Vechicle loans are secured by hypothecation of the assets purchased there against and carrying interest between 8.41% p.a to 9.90% p.a (8.41% to 9.90%p.a).

15. Other Financial Liabilities

₹ in Lacs

	Non Current	
	31st March, 2021	31st March, 2020
Trade Deposits	1,745.59	1,726.80
Current (Amount disclosed under the head Other Current Financial Liabilities) (Refer Note No.19)	(1,745.59)	(1,726.80)
Total	**-**	**-**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

16. Other Non Current Liabilties

₹ in Lacs

	31st March, 2021	31st March, 2020
Deferred Revenue		
At 1st April	284.56	123.51
Add: Capital Subsidy received during the year	-	262.45
Released to the Statement of Profit and Loss	55.06	101.40
At 31st March	**229.50**	**284.56**
Current (Amount disclosed under the head Other Current Liabilites)(Refer Note No.21)	69.58	69.58
Non-current	159.92	214.98

The deferred revenue relates to the asset related government grant received, the same has been accounted for as deferred revenue and proportionately recognised in Statement of Profit and Loss.

17. Short Term Borrowings (At Amortised Cost)

₹ in Lacs

	31st March, 2021	31st March, 2020
Loans repayable on demand		
Cash Credit from banks (Secured)	767.55	276.65
Others		
- From Directors	-	5,351.88
- From Bodies Corporate (Unsecured)	-	4,264.04
Other Loans and advances		
Buyers Credit from banks (Secured)		
- For Raw Materials	1,503.80	3,242.39
Packing Credit (Secured)	5,000.00	3,695.00
Total	**7,271.35**	**16,829.96**

Notes:-

a) Cash Credit and Buyer's Credit from banks amounting to ₹2271.35 lacs (31st March, 2020 : ₹3519.04 lacs) are secured by way of first charge on current assets (both present and future) of the company.

b) The cash credit is repayable on demand and carries interest @ 7.05% to 8.35% (31st March,.2020 : 8.25% to 9.85%) p.a.

c) Buyers credit carries interest @ LIBOR plus 0.90% to 1.55% p.a (2019-20 0.90% to 1.75% p.a) and is repayable in 90-180 days.

d) Rate of Interest for Packing Credit is 1.10% to 5.00% p.a (2019-20 3.75% to 5.75% p.a.)

e) Rate of Interest for unsecured loan from Directors & Bodies Corporate is 5.00% p.a (2019-20 5.00% p.a.)

18. Trade Payables (At Amortised Cost)

₹ in Lacs

	31st March, 2021	31st March, 2020
- Dues to Micro and Small Enterprises (Refer Note No. 34)	1,901.51	975.36
- Dues to Others	19,492.91	15,132.28
Total	**21,394.42**	**16,107.64**

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

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

19. Other financial liabilities (At amortised cost)

₹ in Lacs

	31st March, 2021	31st March, 2020
Current Maturities of Long Term Debts (Refer Note No.14)	2,648.47	2,716.57
Current maturities on Vehicle Loan Obligations (Refer Note No.14)	154.00	472.30
Current Maturiteis of Other Non Current Financial Liabilities (Refer Note No.15)	1,745.59	1,726.80
Interest accrued but not due on borrowings	2.57	22.47
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	26.09	26.90
Capital Creditors	117.11	389.17
Employee related liabilities	5,392.75	3,680.70
Total	**10,086.58**	**9,034.91**

20. Contract Liabilities

₹ in Lacs

	31st March, 2021	31st March, 2020
Advances from Customers	1,400.86	1,033.27
Total	**1,400.86**	**1,033.27**

21. Other Current Liabilities

₹ in Lacs

	31st March, 2021	31st March, 2020
Statutory Dues Payable*	4,015.91	2,081.64
Deferred Revenue (Refer Note No. 16)	69.58	69.58
Total	**4,085.49**	**2,151.22**

* Includes ₹1425.10 lacs (₹1425.10 lacs) 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 before Calcutta High Court. The High Court has subsequently transferred the matter to the West Bengal Taxation Tribunal.

22. Provisions

₹ in Lacs

	Non Current Portion		Current Maturities	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Provision for Employee Benefits				
Gratuity	757.38	640.13	-	-
Leave Encashment	-	-	718.15	706.64
Total	**757.38**	**640.13**	**718.15**	**706.64**

23. Current tax liabilities(net)

₹ in Lacs

	31st March, 2021	31st March, 2020
Provision for Taxation (Net of Advance Tax)	1,681.46	816.57
Total	**1,681.46**	**816.57**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

24. Revenue from Operations

₹ in Lacs

	2020-21	2019-20
Revenue from Operations		
Sale of Products	2,02,088.29	2,18,397.79
Income from Services	8,224.73	8,625.61
Other Operating revenue		
Scrap Sales	79.68	79.93
Export Incentives	689.19	865.42
Indirect Tax Subsidy	249.18	254.30
Miscellaneous Income	16.63	44.65
Total	**2,11,347.70**	**2,28,267.70**

₹ in Lacs

	2020-21	2019-20
Details of Products Sold		
Plywood & Block board	1,07,612.38	1,16,352.02
Laminates	41,009.63	45,454.63
Pre-Laminated Particle Boards	5,942.93	6,676.89
Veneer	4,435.88	6,739.79
Particle Board	2,617.61	3,076.72
Medium Density Fibre Board	35,723.45	35,220.72
Agri Products	794.66	574.12
Phenol	134.75	751.76
Others	3,817.00	3,551.14
Total	**2,02,088.29**	**2,18,397.79**
Details of Income from Services		
Container Freight Station Services	8,224.73	8,625.61
Total	**8,224.73**	**8,625.61**

Reconciliation of Revenue from sale of products with the contracted price

₹ in Lacs

	31st March, 2021	31st March, 2020
Contracted Price	2,12,305.94	2,28,382.71
Less: Trade discounts,volume rebates,etc.	10,217.65	9,984.92
Sale of products	**2,02,088.29**	**2,18,397.79**

1. **Refer Note No.45 for disaggregated revenue information**
2. **Other Information**

a) The Company satisfies its performance obligation on shipment/delivery as per terms of contract.

b) The contract does not have any financing component.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

25. Other Income

₹ in Lacs

	2020-21	2019-20
Interest Income on loan given to Subsidiaries	7.47	30.00
Interest Income from financial assets at amortised cost	86.55	116.66
Insurance and Other Claims	28.95	30.03
Unspent/Unclaimed liabilities written back	0.93	5.28
Profit on disposal of property, plant and equipment	215.03	509.47
Bad Debts Recovered	-	0.61
Foreign Exchange Fluctuations (Net)	595.42	204.75
Net gain on sale of Investments carried at FVTPL	80.69	110.28
Government Grant	55.13	101.40
Total	**1,070.17**	**1,108.48**

26. Cost of Materials Consumed

₹ in Lacs

	2020-21	2019-20
Inventories at the beginning of the year	15,509.85	19,114.37
Add : Purchases	77,605.94	81,478.13
	93,115.79	**1,00,592.50**
Less : Inventories at the end of the year	16,388.98	15,509.85
Cost of Materials Consumed	**76,726.81**	**85,082.65**
Details of Material Consumed		
Timber Logs	6,157.30	9,762.44
Veneer	26,651.63	25,971.71
Chemicals	19,178.53	21,050.80
Paper	14,905.42	17,415.09
Waste Wood	9,747.55	10,865.69
Particle Board	86.38	16.92
Total	**76,726.81**	**85,082.65**
Details of Closing Stock of Materials		
Timber Logs	1,688.93	1,952.77
Veneer	7,341.17	6,874.73
Chemicals	1,599.20	1,315.42
Paper	5,168.96	4,684.62
Particle Board	25.22	29.43
Waste Wood	565.50	652.88
Total	**16,388.98**	**15,509.85**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

27. Purchase of Stock-in-Trade and Changes in Inventories of Finished Goods,Work-in-Progress and Stock-in-Trade

₹ in Lacs

	2020-21	2019-20
Inventories at the beginning of the year		
Stock in Trade	2,421.15	3,422.43
Finished Goods	10,927.02	10,390.32
Work-in-Progress	3,368.40	4,139.52
	16,716.57	**17,952.27**
Inventories at the end of the year		
Stock in Trade	3,330.22	2,421.15
Finished Goods	7,041.92	10,927.02
Work-in-Progress	2,871.44	3,368.40
	13,243.58	**16,716.57**
Changes in Inventories of Finished Goods,Work-in-Progress and Stock-in-Trade	**3,472.99**	**1,235.70**
Details of Purchase of Stock in Trade		
Plywood and Block boards	20,806.35	22,397.53
Veneer	1,518.84	2,201.49
Chemicals	597.86	562.84
Pest Control Kits	68.23	19.17
Phenol	132.02	736.62
Others	2,616.43	2,592.37
Total	**25,739.73**	**28,510.02**
Details of Inventories at the end of the year		
Stock in Trade		
Plywood and Block board	1,533.65	1,338.87
Chemicals	87.03	89.26
Pest Control Kits	62.62	45.21
Veneer	1,014.17	377.48
Others	632.75	570.33
Total	**3,330.22**	**2,421.15**
Finished Goods at the end of the year		
Plywood and Block board	2,175.38	4,199.72
Laminates	3,096.92	3,351.54
Pre-Laminated Particle Boards	7.86	1.36
Medium Density Fibre board	1,249.50	2,126.65
Veneer	512.26	1,247.75
Total	**7,041.92**	**10,927.02**
Work-in-Progress at the end of the year		
Plywood and Block board	1,496.68	1,849.52
Laminates	996.77	994.08
Medium Density Fibre Board	159.02	148.70
Pre-Laminated Particle Boards	218.97	376.10
Total	**2,871.44**	**3,368.40**

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

28. Employee Benefits Expense

₹ in Lacs

	2020-21	2019-20
Employee Benefits Expense		
Salaries, Wages, Bonus etc	29,523.31	31,839.93
Contribution to Provident, Gratuity and other Funds	1,992.37	2,142.94
Employees Welfare Expenses	311.39	430.11
Total	**31,827.07**	**34,412.98**

29. Finance Cost (at effective interest rate)

₹ in Lacs

	2020-21	2019-20
Interest Expenses	1,041.58	2,815.08
Exchange difference to the extent considered as an adjustment to borrowing costs	(58.59)	789.87
Other Borrowing cost	96.44	119.53
Total	**1,079.43**	**3,724.48**
(For interest paid to Related Parties, Refer Note 41)		

30. Depreciation and Amortisation Expense

₹ in Lacs

	2020-21	2019-20
Depreciation on Tangible Assets (Refer Note No.3)	6,245.56	6,737.14
Amortisation of Intangible Assets(Refer Note No.3)	17.59	18.04
Total	**6,263.15**	**6,755.18**

31. Other Expenses

₹ in Lacs

	2020-21	2019-20
Stores & Spare parts consumed	2,444.66	2,770.12
Power and Fuel	7,030.51	8,343.26
Insurance	615.30	355.84
Rent	823.37	838.18
Rates & Taxes	359.23	357.14
Repairs & Maintenance		
- Property	332.69	274.63
- Plant and Equipment	1,048.29	1,178.95
- Others	617.70	700.25
Transport & Freight	10,527.82	11,745.40
Commission on Sales	1,013.48	734.82
Advertisement, Publicity and Sales Promotion	8,209.23	8,847.59
Communication Expenses	241.17	275.27
Directors' Sitting Fees and Commission	56.50	55.50
Auditors' Remuneration #	52.51	45.77
Corporate Social Responsibility Activities (Refer Note No.38)	527.68	444.92
Charity and Donations	761.61	146.18
Irrecoverable Debts, Advances written off	8.23	67.08

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

31. Other Expenses (contd)

₹ in Lacs

	2020-21	2019-20
Provision for Doubtful Debts	-	27.24
Miscellaneous Expenses	5,374.96	6,845.61
Total	**40,044.94**	**44,053.75**
# Payment to Auditors		
As Auditor		
Audit Fees	26.00	26.00
For Other Services (inclusive of fees of ₹9 lac for review of quarterly financial results)	26.45	19.35
Reimbursement of Expenses	0.06	0.42
Total	**52.51**	**45.77**

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 Lacs

		31st March, 2021	31st March, 2020
1.	Current / Past Service Cost	416.67	392.25
2.	Net Interest expense	29.01	30.04
	Components of defined benefit cost recognised in P/L	**445.68**	**422.29**
3.	Re-measurement - Due to Financial Assumptions	89.29	119.78
4.	Re-measurement - Due to Experience Adjustments	(50.50)	(80.73)
5.	Re-measurement - Due to Demographic Adjustments	47.82	-
6.	Return on Plan Assets (Excluding Interest Income)	(0.79)	14.01
	Components of defined benefit cost recognised in OCI	85.82	53.06
Total Expense		**531.50**	**475.35**

II. Net Asset/ (Liability) recognised in the Balance Sheet

₹ in Lacs

		31st March, 2021	31st March, 2020
1.	Present Value of Defined Benefit Obligation	4,553.53	4,006.37
2.	Fair Value of Plan Assets	3,796.15	3,366.24
3.	Net Asset / (Liability)	(757.38)	(640.13)

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

32. Gratuity and Other Post Employment Benefit Plans (contd)

III. Change in Obligation during the Year

₹ in Lacs

		31st March, 2021	31st March, 2020
1.	Present Value of Defined Benefit Obligation at the beginning of the year	4,006.37	3,527.48
2.	Current Service Cost/Plan amendments	416.67	392.25
3.	Interest Cost	261.14	263.31
4.	Benefits Paid	(217.26)	(215.72)
5.	Re-measurements - Due to Financial Assumptions	89.29	119.78
6.	Re-measurements - Due to Experience Adjustments	(50.50)	(80.73)
7.	Re-measurements - Due to Demographic Adjustments	47.82	-
8.	Present Value of Defined Benefit Obligation at the end of the year	**4,553.53**	**4,006.37**

IV. Change in the Fair Value of Plan Assets during the year

₹ in Lacs

		31st March, 2021	31st March, 2020
1.	Plan assets at the beginning of the year	3,366.24	2,912.19
2.	Interest Income	232.14	233.28
3.	Contribution by employer	414.25	450.50
4.	Actual Benefit Paid	(217.27)	(215.72)
5.	Re-measurement - Return on Assets (Excluding Interest Income)	0.79	(14.01)
6.	Closing Fair Value of Plan Assets	**3,796.15**	**3,366.24**

V. In 2021-22 the Company expects to contribute ₹ 432.72 Lacs (2019-20: ₹ 416.67 Lacs) to gratuity.

VI. The Major Categories of Plan Assets as a Percentage of the Fair Value of Total Plan Assets

	31st March, 2021	31st March, 2020
Investments with insurer	100%	100%

VII. Actuarial Assumptions

₹ in Lacs

		31st March, 2021	31st March, 2020
1.	Discount Rate	6.40%	6.70%
2.	Expected rate of return on plan assets	6.40%	6.70%
3.	Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult.	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.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

32. Gratuity and Other Post Employment Benefit Plans (contd)

IX. Contribution to Provident and Other Funds includes ₹1,151.95 lacs (2019-20 - ₹1,290.31 lacs) paid towards Defined Contribution Plans

X. A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	31st March, 2021		31st March, 2020	
	Discount Rate		Discount Rate	
Sensitivity level	1% increase ₹ in Lacs	1% decrease ₹ in Lacs	1% increase ₹ in Lacs	1% decrease ₹ in Lacs
Impact on Gratuity	(285.09)	323.74	(314.04)	363.65

Assumptions	31st March, 2021		31st March, 2020	
	Future Salary Increase		Future Salary Increase	
Sensitivity level	1% increase ₹ in Lacs	1% decrease ₹ in Lacs	1% increase ₹ in Lacs	1% decrease ₹ in Lacs
Impact on Gratuity	316.86	(284.90)	357.85	(282.96)

Assumptions	31st March, 2021		31st March, 2020	
	Withdrawal Rates		Withdrawal Rates	
Sensitivity level	1% increase ₹ in Lacs	1% decrease ₹ in Lacs	1% increase ₹ in Lacs	1% decrease ₹ in Lacs
Impact on Gratuity	3.44	(3.71)	13.78	(15.93)

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 Lacs

	As on 31st March, 2021	As on 31st March, 2020
Year 1	640.76	429.19
Year 2	490.39	300.58
Year 3	496.04	359.20
Year 4	498.30	372.78
Year 5	637.17	370.53
Next 5 Years	3279.78	3036.96

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

33. Commitments and Contingencies

(i) Capital and Other Commitments

₹ in Lacs

	As on 31st March, 2021	As on 31st March, 2020
Commitment for Acquisition of Property, Plant & Equipment (Net of Advance)	9,477.58	1,235.13
Letter of Credit issued by Banks	3,034.31	2,700.58

(ii) Contingent Liabilities

₹ in Lacs

	As on 31st March, 2021	As on 31st March, 2020
Demands/Claims by various Government Authorities and Others not acknowledged as Debt:		
Excise Duty / Service Tax [Amount deposited : 36.36 (P.Y. 54.05)]	814.07	1,055.20
Sales Tax / VAT/Entry Tax*	643.65	925.81
Income Tax	639.60	2,259.31
Others (Outstanding Amount at the year-end)	831.86	830.07
Un-Redeemed Bank Guarantees	712.41	805.35
Bills Discounted with Banks	41.40	97.28
Excise Duty Refund Claim **	-	1,181.04

*Contingent amount includes tax amount and interest quantified in the assessment order.

** Refer note. 35

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 Lacs

	2020 - 21	2019 - 20
Principal Amount due	1901.51	975.36
Interest due on above	-	-
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	-	-

35. Exceptional Item - Expenses

Exceptional item of ₹1,181.04 lacs for the period ended 31st March,2021, represents reversal of refund of 50% of differential excise duty paid in cash, for its plywood unit in north-east India, claimed earlier on the basis of favourable decision by Hon'ble Guwahati High Court, which was passed relying on the decision by Hon'ble Supreme Court in the case of M/s V.V.F Limited & others versus the Union of India. However, the Hon'ble Supreme Court, vide its judgement dated 22nd April 2020 has reversed its earlier decision in the case of M/s V.V.F Limited, mentioned herein, and allowed the subsequent and amended notifications issued by revenue authority which replaced the 100% excise duty refund benefit as envisaged in original notification no. 20/2007, with refund equivalent to specified percentage of excise duty payable based on value addition and held that the amended notifications was clarificatory in nature and is not hit by doctrine of promissory estoppel. Further, based on the legal advice obtained by the Company from External Counsel, as well as its own assessment, there is likelihood of the Company's appeal being not considered and consequent liability may arise for refund/reversal of amount so received/provided. Accordingly, income which was previously recognized in the books of accounts is reversed.

36. Capital Management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various shareholders but keep associated cost under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both the short term and long term. Net debt (total borrowing less current investment and cash & cash equivalent) to equity ratio is used to monitor capital. No changes were made to the objective, policies or process for managing capital during the year ended 31st March, 2021 and 31st March, 2020.

	As at 31st March, 2021	As at 31st March, 2020
Debt Equity Ratio	0.09	0.22

As at 31st March, 2021 and 31st March, 2020, the Company was in compliance with all of its debt covenants for borrowings.

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 Lacs

Nature of Item	As on 31st March, 2021	As on 31st March, 2020
Foreign Currency Term Loans	-	7,539.00

b) The particulars of unhedged foreign currency exposures as on the balance sheet date are as follows:

₹ in Lacs

Nature of Item	As on 31st March, 2021	As on 31st March, 2020
Foreign Currency Term Loans	5,021.31	328.01
Buyer's Credit	1,503.80	3,242.39
Trade Receivables	1,899.47	1,695.93
Trade Payables	2,422.45	3,334.18
Trade Advances	4,047.79	1,718.21

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

38. The Company has a Corporate Social Responsibilities ("CSR") committee as per the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder. The main areas for CSR activities are promoting education, healthcare, animal welfare and projects ensuring environment sustainability. Details of CSR is as under:-

₹ in Lacs

	2020-21	2019-20
Amount of CSR expenditure to be incurred during the year	456.65	438.58
CSR expenditure (Revenue Nature) incurred during the year and approved by Board of Director	527.68	444.92
Expenditure on construction/acquisition of any assets during the year.	-	-

(₹ in Lacs)

1st April,2020	Amount required to be spent during the year	Amount spent during the year	Closing Balance as on 31st March,2021
-	456.65	527.68	71.03

39. DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

a) Details of investments made have been given as part of Note '4' Investments in Subsidiary and Other Investments. Maximum amount invested in Mutual Funds during the year for cash management purpose was ₹11,551.88 Lacs.

b) Details of Loans and Guarantees given below:

(₹ in Lacs)

Name of the Company	Relationship	Nature of Transactions	Balance as on 31st March, 2021*		Maximum Amount Outstanding at any time during the Year*	
			31st March, 2021	31st March, 2020	2020-21	2019-20
Auro Sundram Ply & Door Pvt. Ltd.*	Subsidiary	Loans	-	300.00	300.00	300.00
Fine Wood Products Pvt Ltd.	Other	Loans	20.00	20.00	20.00	100.00
Tiru Complex LLP	Other	Loans	50.00	50.00	50.00	50.00
Good View Agencies Pvt. Ltd.	Other	Loans	80.00	80.00	80.00	80.00
Skipper Ltd.	Other	Loans	-	-	-	1000.00
Precise Capital Markets	Other	Loans	-	-	-	50.00
Auro Sundram International Pvt. Ltd.	Other	Loans	250.00	-	500.00	1300.00
Channel Financing to Dealers & Distributors**	Other	Guarantee	831.86	830.07	831.86	830.07

*excluding interest

** Reported to the extent balance outstanding against Guarantees issued amounting to ₹3,327.45 Lacs

c) Investment by the loanees in the shares of the Company.

The loanees have not made any investments in the shares of the Company.

40. The Company has paid anti-dumping duty till date amounting to ₹176.66 lacs (Till 31st March 2020: ₹176.66 lacs) 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. 8 on "Other Current Assets".

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 Infotech Ltd.
	Century Ply (Singapore) Pte Ltd.
	Century Ply Laos Co. Ltd.
	Century Huesoulin Plywood Lao Co. Ltd.
	Century Gabon SUARL
	Century Panels Ltd.
	Asis Plywood Ltd.

Related Parties with whom Transactions have taken place during the Year:

Key Management Personnel and Directors	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 Rajesh Kumar Agarwal (Executive Director)**
	Sri Ajay Baldawa (Executive Director)
	Sri Keshav Bhajanka (Executive Director)
	Smt. Nikita Bansal (Executive Director)
	Sri Santanu Ray(Independent Director)-till 31.03.2021
	Smt. Mamta Binani (Independent Director)
	Sri J. P. Dua (Independent Director)
	Sri Vijay Chhibber (Independent Director)
	Sri Sunil Mitra (Independent Director)
	Sri Debanjan Mandal (Independent Director)
	Sri Probir Roy (Independent Director)
	Sri Amit Kiran Deb (Independent Director) – w.e.f. 01.04.2020
	Sri Arun Kumar Julasaria (Chief Financial Officer)
	Sri Sundeep Jhunjhunwala (Company Secretary)

*Ceased to be director w.e.f. 18.12.2020 due to demise

**Sri Rajesh Kumar Agarwal appointed as executive director w.e.f. 09.02.2021

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

41. Related Party Disclosure: (contd)

Relatives of Key Management Personnels	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 (Mother of Sri Rajesh Kumar 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 Late Hari Prasad Agarwal) till 8th February 2021
	Smt. Bhawna Agarwal (Wife of Sri Rajesh Kumar 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)
	Smt. Yashoda Baldawa (Mother of Sri Ajay Baldawa)
	Smt.Sanjana Bhajanka (Wife of Sri Keshav Bhajanka)
	Smt. Kriti Rathi (Daughter of Sri Ajay Baldawa)

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.
	Auroville Investments Pvt. Ltd
	Aegis Business Ltd.
	Pacific Plywoods Pvt. Ltd.
	Century Led Ltd.
	Landmark Veneers Pvt. Ltd.
	Star Cement Meghalaya Ltd.
	Amul Boards Pvt. Ltd.
	Fox and Mandal LLP

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

41. Related Party Disclosure: (contd)

41. (b) Aggregated Related Party disclosure as at and for the Year ended 31st March, 2021.

(₹ in Lacs)

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1	**Purchase of Trading Goods**										
	Auro Sundram Ply & Door Pvt. Ltd.	8,378.35	9,265.68	-	-	-	-	-	-	8,378.35	9,265.68
2	**Purchase of Raw Materials/Stores**										
	Centuryply Myanmar Pvt. Ltd.	1,950.74	2,618.26	-	-	-	-	-	-	1,950.74	2,618.26
	Century Gabon Suarl	173.41	-	-	-	-	-	-	-	173.41	-
	Amul Boards Pvt Ltd	-	-	-	-	-	-	102.30	0.71	102.30	0.71
	Star Cement Ltd.	-	-	-	-	-	-	17.85	15.93	17.85	15.93
	Auro Sundram Ply & Door Pvt. Ltd.	0.57	3.57	-	-	-	-	-	-	0.57	3.57
	Landmark Veneers Pvt. Ltd.	-	-	-	-	-	-	105.17	135.77	105.17	135.77
	Century Led Ltd.	-	-	-	-	-	-	24.92	7.68	24.92	7.68
3	**Sale of RM/ Products/Stores & spares**										
	Star Cement Ltd	-	-	-	-	-	-	-	-	-	-
	Auro Sundram Ply & Door Pvt Ltd.	1.65	20.40	-	-	-	-	-	-	1.65	20.40
	Century Ply (Singapore) Pte Ltd.	-	-	-	-	-	-	-	-	-	-
	Aegis Business Ltd.	-	-	-	-	-	-	-	-	-	-
	Centuryply Myanmar Pvt. Ltd.	2.02	2.81	-	-	-	-	-	-	2.02	2.81
	Century Gabon Suarl	-	27.03	-	-	-	-	-	-	-	27.03
	Amul Boards Pvt Ltd	-	-	-	-	-	-	-	1.83	-	1.83
4	**Sale of Assets**										
	Amul Boards Pvt Ltd	-	-	-	-	-	-	-	9.44	-	9.44
	Star Cement Ltd.	-	-	-	-	-	-	-	2,173.38	-	2,173.38
5	**Services Availed/ (Provided)**										
	Aegis Business Ltd.	-	-	-	-	-	-	(1.20)	(1.20)	(1.20)	(1.20)

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

41. Related Party Disclosure: (contd)

(₹ in Lacs)

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	Smt Yash Bala Bhajanka	-	-	-	-	15.75	14.63	-	-	15.75	14.63
	Sri Ajay Baldawa	-	-	1.93	1.93	-	-	-	-	1.93	1.93
	Smt Yashoda Baldawa	-	-	-	-	-	0.63	-	-	-	0.63
	Star Cement Ltd	-	-	-	-	-	-	(111.56)	(116.24)	(111.56)	(116.24)
	Star Cement Meghalaya Ltd.	-	-	-	-	-	-	-	(3.93)	-	(3.93)
	Century Led Ltd.	-	-	-	-	-	-	(2.53)	(9.75)	(2.53)	(9.75)
	Pacific Plywoods Pvt. Ltd.	-	-	-	-	-	-	5.60	5.60	5.60	5.60
	Fox and Mandal LLP	-	-	-	-	-	-	9.15	-	9.15	-
	Auro Sundram Ply & Door Pvt Ltd.	(0.64)	(1.43)	-	-	-	-	-	-	(0.64)	(1.43)
6	**Reimbursement Paid/(Received)**										
	Sundeep Jhunjhunwala	-	-	5.00	5.00	-	-	-	-	5.00	5.00
	Century Led Ltd.	-	-	-	-	-	-	0.46	-	0.46	-
	Star Cement Ltd.	-	-	-	-	-	-	-	-	-	-
	Auro Sundram Ply & Door Pvt Ltd.	10.84	1.00	-	-	-	-	-	-	10.84	1.00
7	**Loan taken**										
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	-	-	126.00	1,884.00	126.00	1,884.00
	Sri Ram Merchants Pvt. Ltd.	-	-	-	-	-	-	75.00	2,229.00	75.00	2,229.00
	Sri Ram Vanijya Pvt. Ltd.	-	-	-	-	-	-	524.50	2,004.00	524.50	2,004.00
	Sumangal Business Pvt. Ltd.	-	-	-	-	-	-	49.00	3,858.00	49.00	3,858.00
	Sumangal International Pvt. Ltd.	-	-	-	-	-	-	144.00	2,579.00	144.00	2,579.00
	Sri Keshav Bhajanka	-	-	20.00	48.00	-	-	-	-	20.00	48.00
	Sri Sajjan Bhajanka	-	-	5,100.00	8,018.00	-	-	-	-	5,100.00	8,018.00
	Sri Sanjay Agarwal	-	-	1,606.00	11,601.00	-	-	-	-	1,606.00	11,601.00

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

41. Related Party Disclosure: (contd)

(₹ in Lacs)

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
8	**Loan Repaid (Including outstanding interest)**										
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	-	-	908.63	1,120.00	908.63	1,120.00
	Sri Ram Merchants Pvt. Ltd.	-	-	-	-	-	-	267.88	2,047.50	267.88	2,047.50
	Sri Ram Vanijya Pvt. Ltd.	-	-	-	-	-	-	762.22	1,782.00	762.22	1,782.00
	Sumangal Business Pvt. Ltd.	-	-	-	-	-	-	2,021.65	1,929.50	2,021.65	1,929.50
	Sumangal International Pvt. Ltd.	-	-	-	-	-	-	1,222.15	1,535.00	1,222.15	1,535.00
	Sri Keshav Bhajanka	-	-	70.15	-	-	-	-	-	70.15	-
	Sri Sajjan Bhajanka	-	-	6,227.09	6,981.00	-	-	-	-	6,227.09	6,981.00
	Sri Sanjay Agarwal	-	-	5,780.63	7,532.00	-	-	-	-	5,780.63	7,532.00
9	**Loan Received Back**										
	Auro Sundram Ply & Door Pvt Ltd	300.00	-	-	-	-	-	-	-	300.00	-
10	**Investments Made/ (Sold)**										
	Centuryply Myanmar Pvt. Ltd.	-	998.49	-	-	-	-	-	-	-	998.49
	Century Ply (Singapore) Pte. Ltd.	46.14	3,553.59	-	-	-	-	-	-	46.14	3,553.59
	Century Gabon SUARL	269.57	1,607.29	-	-	-	-	-	-	269.57	1,607.29
	Century Panels Ltd	-	5.00	-	-	-	-	-	-	-	5.00
11	**Interest Paid**										
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	-	-	19.76	20.70	19.76	20.70
	Sri Ram Merchants Pvt. Ltd.	-	-	-	-	-	-	4.58	12.65	4.58	12.65
	Sri Ram Vanijya Pvt. Ltd.	-	-	-	-	-	-	7.95	17.47	7.95	17.47
	Sumangal International Pvt. Ltd.	-	-	-	-	-	-	25.41	49.06	25.41	49.06

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

41. Related Party Disclosure: (contd)

(₹ in Lacs)

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	Sumangal Business Pvt. Ltd.	-	-	-	-	-	-	15.53	37.95	15.53	37.95
	Sri Sajjan Bhajanka	-	-	116.49	100.11	-	-	-	-	116.49	100.11
	Sri Sanjay Agarwal	-	-	80.80	117.37	-	-	-	-	80.80	117.37
	Sri Keshav Bhajanka	-	-	2.61	2.39	-	-	-	-	2.61	2.39
12	**Interest Received**										
	Auro Sundram Ply & Door Pvt. Ltd.	7.48	30.00	-	-	-	-	-	-	7.48	30.00
13	**Dividend Paid**										
	Sri Sajjan Bhajanka	-	-	-	518.68	-	-	-	-	-	518.68
	Sri Sanjay Agarwal	-	-	-	497.61	-	-	-	-	-	497.61
	Smt.Divya Agarwal	-	-	-	-	-	335.00	-	-	-	335.00
	Sri Vishnu Khemani	-	-	-	254.94	-	-	-	-	-	254.94
	Smt Santosh Bhajanka	-	-	-	-	-	308.99	-	-	-	308.99
	Others	-	-	-	154.62	-	385.01	-	786.58	-	1,326.21
14	**Director's Remuneration Paid #**										
	Sri Sajjan Bhajanka	-	-	203.41	120.00	-	-	-	-	203.41	120.00
	Sri Sanjay Agarwal	-	-	203.41	120.00	-	-	-	-	203.41	120.00
	Sri Prem Kumar Bhajanka	-	-	448.62	120.00	-	-	-	-	448.62	120.00
	Sri Vishnu Khemani	-	-	203.17	120.00	-	-	-	-	203.17	120.00
	Sri Hari Prasad Agarwal	-	-	10.00	60.00	-	-	-	-	10.00	60.00
	Sri Ajay Baldawa	-	-	240.00	240.00	-	-	-	-	240.00	240.00
	Smt. Nikita Bansal	-	-	25.93	24.00	-	-	-	-	25.93	24.00
	Sri Keshav Bhajanka	-	-	54.63	50.00	-	-	-	-	54.63	50.00
	Sri Rajesh Kumar Agarwal	-	-	7.69	-	-	-	-	-	7.69	-
15	**Director's Sitting Fees**										
	Sri Mangi Lal Jain	-	-	-	4.50	-	-	-	-	-	4.50
	Sri Santanu Ray	-	-	4.25	4.25	-	-	-	-	4.25	4.25
	Sri Amit Kiran Deb	-	-	2.00	-	-	-	-	-	2.00	-
	Smt. Mamta Binani	-	-	3.25	4.75	-	-	-	-	3.25	4.75
	Sri J. P. Dua	-	-	3.50	2.50	-	-	-	-	3.50	2.50
	Sri Vijay Chhibber	-	-	3.25	2.50	-	-	-	-	3.25	2.50

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

41. Related Party Disclosure: (contd)

(₹ in Lacs)

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	Sri Debanjan Mandal	-	-	2.00	1.00	-	-	-	-	2.00	1.00
	Sri Sunil Mitra	-	-	2.75	2.00	-	-	-	-	2.75	2.00
	Sri Probir Roy	-	-	3.50	2.00	-	-	-	-	3.50	2.00
16	**Director's Commission**										
	Sri Mangi Lal Jain	-	-	-	4.00	-	-	-	-	-	4.00
	Sri Santanu Ray	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Amit Kiran Deb	-	-	4.00	-	-	-	-	-	4.00	-
	Smt. Mamta Binani	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri J. P. Dua	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Vijay Chhibber	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Debanjan Mandal	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Sunil Mitra	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Probir Roy	-	-	4.00	4.00	-	-	-	-	4.00	4.00
17	**Salary Paid**										
	Sri Arun Kumar Julasaria #	-	-	163.14	145.67	-	-	-	-	163.14	145.67
	Sri Sundeep Jhunjhunwala #	-	-	35.67	37.62	-	-	-	-	35.67	37.62
	Others	-	-	-	-	112.24	120.13	-	-	112.24	120.13
18	**Advance Given**										
	Aegis Business Ltd.	-	-	-	-	-	-	25.00	300.00	25.00	300.00
	Sri Abhishek Rathi	-	-	-	-	-	8.10	-	-	-	8.10
	Sri Arun Kumar Julasaria	-	-	2.00	-	-	-	-	-	2.00	-
19	**Advance Received back**										
	Aegis Business Ltd.	-	-	-	-	-	-	125.00	-	125.00	-
	Sri Arun Kumar Julasaria	-	-	2.00	-	-	-	-	-	2.00	-
	Sri Abhishek Rathi	-	-	-	-	7.43	0.68	-	-	7.43	0.68
	Sri Sundeep Jhunjhunwala	-	-	-	7.00	-	-	-	-	-	7.00

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

41. Related Party Disclosure: (contd)

(₹ in Lacs)

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
20	**Balance Outstanding on account of**										
A	**Receivable/(Payable)**										
	Auro Sundram Ply & Door Pvt. Ltd.	(1,799.17)	(921.18)	-	-	-	-	-	-	(1,799.17)	(921.18)
	Aegis Business Ltd.	-	-	-	-	-	-	200.35	300.12	200.35	300.12
	Century Ply (Singapore) Pte. Ltd.	-	427.40	-	-	-	-	-	-	-	427.40
	Centuryply Myanmar Pvt. Ltd.	1,092.05	684.16	-	-	-	-	-	-	1,092.05	684.16
	Century Infotech Ltd.	31.52	31.52	-	-	-	-	-	-	31.52	31.52
	Century Led Ltd.	-	-	-	-	-	-	(0.88)	0.68	(0.88)	0.68
	Brijdham Merchants Pvt Ltd.	-	-	-	-	-	-	-	(0.70)	-	(0.70)
	Century Gabon Suarl	995.46	27.03	-	-	-	-	-	-	995.46	27.03
	Star Cement Ltd.	-	-	-	-	-	-	(0.96)	23.06	(0.96)	23.06
	Star Cement Meghalaya Ltd.	-	-	-	-	-	-	-	0.33	-	0.33
	Amul Boards Pvt. Ltd	-	-	-	-	-	-	(1.86)	5.00	(1.86)	5.00
	Pacific Plywoods Pvt. Ltd.	-	-	-	-	-	-	(5.18)	(5.01)	(5.18)	(5.01)
	Sri Abhishek Rathi	-	-	-	-	-	7.43	-	-	-	7.43
B	**Loans Receivable/ (Payable) (Incl. interest)**										
	Auro Sundram Ply & Door Pvt. Ltd.	-	327.00	-	-	-	-	-	-	-	327.00
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	-	-	-	(782.64)	-	(782.64)
	Sri Ram Merchants Pvt. Ltd.	-	-	-	-	-	-	-	(192.88)	-	(192.88)
	Sri Ram Vanijya Pvt. Ltd.	-	-	-	-	-	-	-	(237.72)	-	(237.72)
	Sumangal Business Pvt. Ltd.	-	-	-	-	-	-	-	(1,972.65)	-	(1,972.65)
	Sumangal International Pvt. Ltd.	-	-	-	-	-	-	-	(1,078.15)	-	(1,078.15)
	Sri Keshav Bhajanka	-	-	-	(50.15)	-	-	-	-	-	(50.15)
	Sri Sajjan Bhajanka	-	-	-	(1,127.10)	-	-	-	-	-	(1,127.10)
	Sri Sanjay Agarwal	-	-	-	(4,174.63)	-	-	-	-	-	(4,174.63)
C	**Director's Remuneration Payable**										
	Sri Sajjan Bhajanka	-	-	84.73	-	-	-	-	-	84.73	-
	Sri Sanjay Agarwal	-	-	84.72	-	-	-	-	-	84.72	-
	Sri Prem Kumar Bhajanka	-	-	225.13	-	-	-	-	-	225.13	-
	Sri Ajay Baldawa	-	-	66.95	-	-	-	-	-	66.95	-

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

41. Related Party Disclosure: (contd)

(₹ in Lacs)

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	Sri Vishnu Khemani	-	-	87.33	-	-	-	-	-	87.33	-
	Smt. Nikita Bansal	-	-	11.52	-	-	-	-	-	11.52	-
	Sri Keshav Bhajanka	-	-	21.54	-	-	-	-	-	21.54	-
D	**Director's Commission Payable**										
	Sri Mangi Lal Jain	-	-	-	4.00	-	-	-	-	-	4.00
	Sri Santanu Ray	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Amit Kiran Deb	-	-	4.00	-	-	-	-	-	4.00	-
	Smt. Mamta Binani	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri J. P. Dua	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Vijay Chhibber	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Debanjan Mandal	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Sunil Mitra	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Probir Roy	-	-	4.00	4.00	-	-	-	-	4.00	4.00
E	**Salary Payable**										
	Sri Arun Kumar Julasaria	-	-	38.97	1.75	-	-	-	-	38.97	1.75
	Sri Sundeep Jhunjhunwala	-	-	1.07	-	-	-	-	-	1.07	-
	Others	-	-	-	-	4.15	0.68	-	-	4.15	0.68

Remuneration of Key Management Personnel represents short term employee benefits.As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

41. (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 and interest free
3. Employee related recoverable balances are unsecured and interest free
4. The Company has provided loan to its subsidiary for its business activities. The loan was unsecured and was repayable on demand. The loan outstanding as on 31st March, 2021 carries an interest@10% p.a.
5. 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 was unsecured and was repayable on demand. The loan carried an interest @5.00% p.a.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

42. Fair values measurements

Financial instruments by category:

(₹ in Lacs)

	31st March, 2021		31st March, 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Non-current financial assets				
(i) Investments	25.37	-	21.77	-
(ii) Loans and advances	-	1,517.24	-	1,482.96
Current financial assets				
(i) Trade receivable	-	29,700.70	-	25,815.95
(ii) Cash and cash equivalents	-	1,112.03	-	1,849.78
(iii) Bank balances other than above	-	6,434.56	-	272.33
(iv) Investments	11,054.30	-	-	-
(v) Loans and advances	-	563.95	-	556.32
(vi) Other current financial assets	-	2,167.79	-	1,903.51
Total Financial assets	**11,079.66**	**41,496.27**	**21.77**	**31,880.85**
Non-current financial liabilities				
(i) Borrowings	-	2,379.17	-	5,293.24
(ii) Lease liabilities	-	1,414.89	-	2,127.43
Current financial liabilities				
(i) Borrowings	-	7,271.35	-	16,829.96
(ii) Trade payables	-	21,394.42	-	16,107.64
(iii) Lease liabilities	-	860.27	-	573.51
(iv) Other current financial liabilities	-	10,086.58	-	9,034.91
Total Financial liabilities	**-**	**43,406.68**	**-**	**49,966.69**

Notes:-

1) 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.

2) Finance income and finance cost by instrument category wise classification :-

   i) Interest income of ₹94.02 Lacs (P.Y.₹110.66 Lacs) on financial instrument at amortised cost.

   ii) Interest expense of ₹937.48 Lacs (P.Y. ₹2,711.22 Lacs) on borrowing at amortised cost.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

43. Impairment Loss on Investment in Subsidiary

During the previous year, consequent to restrictions on production of semi-finished product by the Laos Government, the foreign subsidiaries including step down subsidiaries have recognised the impairment loss of ₹6,381.00 lacs on assets including inventories on the basis of recoverable value estimated by the management. Accordingly the Company has recognised impairment loss of ₹4,563.27 lacs on investment in a foreign subsidiary in its books of accounts after taking out share of impairment loss relating to non-controlling interest and same is reflected in segment results of Plywood and allied segment. During the year Company has conducted impairment testing and concluded that no further impairment of investment in foreign subsidiary is required.

44. 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.

Change in Foreign Currency Rates	Effect on Profit before Tax (₹ in Lacs)	
	As on 31st March, 2021	As on 31st March, 2020
5%	(151.74)	(153.23)
-5%	151.74	153.23

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:

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

44. Financial Risk Management-Objectives and Policies (contd)

	Increase/ Decrease in basis points	Effect on Profit before Tax (₹ in Lacs)
31st March, 2021	+50	(70.25)
	-50	70.25
31st March, 2020	+50	(168.97)
	-50	168.97

(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 10 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 2021 and 31st March 2020 are as follows:

₹ in Lacs

	31st March, 2021	31st March, 2020
Cash and cash equivalents	1,112.03	1,849.78
Other Bank balances	6,434.56	272.33
Loans and other receivables	563.95	556.32
Trade receivable (Net)	29,700.70	25,815.95
	37,811.24	**28,494.38**

Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

₹ in Lacs

Trade Receivables (measured under life time excepted credit loss model)	31st March, 2021	31st March, 2020
Loss Allowance at the beginning of the year	895.76	895.76
Add: Loss Allowance provided during the year	-	-
Less: Write Off	-	-
Less: Loss Allowance reversed during the year	-	-
Loss Allowance at the end of the year	**895.76**	**895.76**

44. Financial Risk Management-Objectives and Policies (contd)

The ageing of trade accounts and notes receivable as of 31st March, 2021 and 31st March, 2020 are as follows:

₹ in Lacs

Particulars	31st March, 2021	31st March, 2020
Not due	26,334.73	18,442.16
Overdue less than 6 months	3,009.21	6,813.73
more than 6 months - 12 months	294.19	659.83
more than 12 moths - 24 months	358.36	188.30
over 24 months	599.97	607.69
Gross Amount	**30,596.46**	**26,711.71**
Less: Expected Credit Loss	895.76	895.76
Sundry Debtors Balance	**29,700.70**	**25,815.95**

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 Lacs

Particulars	31st March, 2021	31st March, 2020
Cash and Cash Equivalent	1,112.03	1,849.78
Availability under committed credit facilities	8,732.45	33,128.35

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Lacs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 years	Total
Year ended 31st March 2021						
Borrowings	7,271.35	2,379.17	-	-	-	9,650.52
Other financial liabilities	10,086.58	-	-	-	-	10,086.58
Trade payables	21,394.42	-	-	-	-	21,394.42
	38,752.35	**2,379.17**	**-**	**-**	**-**	**41,131.52**
Year ended 31st March 2020						
Borrowings	16,829.96	2,859.38	2,433.86	-	-	22,123.20
Other financial liabilities	9,034.91	-	-	-	-	9,034.91
Trade payables	16,107.64	-	-	-	-	16,107.64
	41,972.51	**2,859.38**	**2,433.86**	**-**	**-**	**47,265.75**

(iv) Other Risk-Impact of the COVID 19 pandemic

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were also impacted due to COViD-19. The Company has made detailed assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets comprising property, plant and equipment, Intangible assets, Trade Receivables, Inventory, investments, other current and non-current assets and ability to pay its liabilities as they become due and effectiveness

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

44. Financial Risk Management-Objectives and Policies (contd)

of internal financial controls at the balance sheet date, and has concluded that there are no material impact or adjustments required in the financial statements and does not anticipate any challenge in the Company's ability to continue as a going concern. The impact of the pandemic may be different from that estimated as at the date of approval of these results and the management continues to closely monitor any material changes to future economic conditions.

45. The Company's Segment Information as at and for the year ended 31st March 2021 are as below:

₹ in Lacs

Sl		Plywood	Laminate	MDF	Particle Board	CFS Services	Others	Total
a	**Revenue(Gross)**							
	External Sales	1,12,317.26	41,501.94	35,940.44	9,007.85	8,233.00	4,347.21	2,11,347.70
		(1,23,429.08)	(46,333.50)	(35,051.53)	(9,910.73)	(8,649.12)	(4,893.74)	(2,28,267.70)
	Inter-segment Sales	-	-	-	-	67.02	247.72	314.74
		-	-	-	-	(48.04)	(285.55)	(333.59)
	Total Revenue(Gross)	1,12,317.26	41,501.94	35,940.44	9,007.85	8,300.02	4,594.93	21,1662.44
		(1,23,429.08)	(46,333.50)	(35,051.53)	(9,910.73)	(8697.16)	(5179.29)	(2,28,601.29)
b	**Result**							
	Segment Results	1,2846.45	6,955.90	7,642.89	1,387.36	1,341.26	594.36	30,768.22
		(10,835.23)	(5,613.33)	(6,848.98)	(1,935.93)	(1,514.47)	(236.85)	(26,984.79)
	Unallocated Income/ (Expenses) (Net of unallocated expenses/ income)							(3,606.08)
								(-2,222.16)
	Operating Profit							27,162.14
								(24,762.63)
	Finance Cost							1,079.43
								(3,724.48)
	Tax Expense							6,876.24
								(5,221.47)
	Net Profit							19,206.47
								(15,816.68)
	Other Information							
a	**Total Assets**							
	Segment Assets	70,571.32	27,540.44	36,335.46	6,105.94	5,853.63	1,732.10	1,48,138.89
		(70,035.67)	(24,211.19)	(36,403.44)	(72,40.83)	(7,218.21)	(1,431.65)	(1,46,540.99)
	Unallocated Corporate/ Other Assets							30,559.67
								(16,326.49)
	Total							1,78,698.56
								(1,62,867.48)
b	**Total Liabilities**							
	Segment Liabilities	23,157.31	6,097.17	3,468.61	980.56	3,167.06	553.21	37,423.92
		(15,797.74)	(5,174.75)	(3,264.90)	(626.38)	(3,564.60)	(844.80)	(29,273.17)
	Unallocated /Other Liabilities							14,786.02
								(26,256.33)
	Total							52,209.94
								(55,529.50)
c	**Capital Expenditure**	1,795.52	1,575.16	184.31	365.11	41.57	-	3,961.67
		(1,514.29)	(833.90)	(554.10)	(166.69)	(127.26)	(6.47)	(3,202.71)

45. The Company's Segment Information as at and for the year ended 31st March 2021 are as below:

(contd)

₹ in Lacs

Sl		Plywood	Laminate	MDF	Particle Board	CFS Services	Others	Total
	Unallocated Capital Expenditure							-
								(6,543.08)
d	**Depreciation/ Amortisation**	1,111.16	1,021.06	1,942.10	454.37	1,089.46	3.35	5,621.50
		(1,211.50)	(1,004.22)	(1,953.40)	(504.97)	(1,408.64)	(2.37)	(6,085.11)
	Unallocated Depreciation							641.65
								(670.08)
e	**Geographical Segment**							
	i. Revenue (Gross)							
	India							2,00,896.87
								(2,17,768.46)
	Overseas							10,450.83
								(10,499.24)
	ii. Carrying amount of Segment Assets							
	India							1,35,521.70
								(1,34,734.00)
	Overseas							12,617.19
								(11,806.99)

Note:- Previous years figures are in bracket

Notes:

(a) Business Segments: The reportable 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

MDF - Plain & Pre-laminated Medium Density Fibre Boards

Particle Board - Plain & Pre-laminated Particle Board

CFS Services - Container Freight Stations services

Others - Mainly Trading of Chemicals and New Age Panel Products

(b) The Company recognised revenue at point in time.

(c) Company's Property Plant and Equipment (PPE) are located only in India. Hence separate figures for same have not been furnished.

(d) During the year there is no revenue from a single customer which is more than 10% of company's revenue.

(e) Investment in subsidiaries have been considered as a part of segment assets in line with the reporting to CODM

46. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

47. Earning per Share (EPS)

In terms of Ind AS- 33 on "Earning Per Share" the calculation of EPS is given below: -

	2020-21	2019-20
Profit as per the Statement of Profit & Loss (₹ In Lacs)	19,206.47	15,816.68
Profit available for Equity Shareholders(₹ In Lacs)	19,206.47	15,816.68
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) (₹)	8.64	7.12

48. Leases

a) The Company has lease contracts for land. The Company's obligations under leases are secured by the lessor's title to the leased assets.

b) The Company has elected to apply IND AS 116 to its leases with modified retrospective approach. Under this approach, the company has recognised lease liabilities and corresponding right of use assets. In the statement of profit and loss for the year ended, operating lease expenses which were recognised as other expenses in the previous periods is now recognised as depreciation expenses on right of use assets and finance cost for interest accrued on such lease liability.

c) Movement in lease liabilities during the year ended March 31, 2021

₹ in Lacs

Particulars	31st March, 2021	31st March, 2020
Balance at the beginning	2,700.94	-
Additions	-	3,059.13
Interest cost accrued during the year	208.26	245.53
Deletions	-	-
Payment of lease liabilities	634.04	603.72
Balance at the end	**2,275.16**	**2,700.94**

d) Amount recognized in Profit or Loss

₹ in Lacs

Particulars	31st March, 2021	31st March, 2020
Interest expense on lease liabilities	208.26	245.53
Depreciation expense of right-of-use assets	604.41	604.41
Total	**812.67**	**849.94**

e) Future payment of lease liabilities on an undiscounted basis

₹ in Lacs

Particulars	31st March, 2021	31st March, 2020
Less than one year	660.98	630.86
One to five years	1,231.44	1,797.42
More than five years	2,430.43	2,525.44
Total undiscounted Lease Liabilities	**4,322.85**	**4,953.72**
Lease liabilities included in the statement of financial position		
Current Lease liabilities	860.27	573.51
Non - Current Lease liabilities	1,414.89	2,127.43

f) The weighted average incremental borrowing rate of 10% has been applied to lease liabilities recognised in the Balance Sheet.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

49. Charity and Donations includes ₹553.81 Lacs (₹50.51 Lacs) paid to political parties.

50. Previous year's figures have been rearranged and/or regrouped, wherever necessary.

51. The financial statements have been approved by the Audit Committee at its meeting held on 10th June, 2021 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: 10th of June, 2021

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 Audit of Consolidated Financial Statements

Opinion

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 March 31, 2021, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as ("the consolidated financial statements")).

2. In our opinion and to the best of our information and according to the explanations given to us, 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 March 31, 2021, their consolidated total comprehensive income (comprising consolidated profit and consolidated other comprehensive income) their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in paragraph15 & 16 of the other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context:

<table>
<tr><th>Descriptions of Key Audit Matter</th><th>How we addressed the matter in our audit</th></tr>
<tr><td>A. Valuation of inventories

Refer to note 11 to the consolidated financial statements. The Company is having Inventory of ₹36,916.87 Lakhs as on 31st March 2021. Inventories are to be valued as per Ind AS 2. As described in the accounting policies in note 2.2(l) to the consolidated financial statements, inventories are carried at the lower of cost and net realisable value. As a result, the management applies judgment in determining the appropriate provisions against inventory of Stores, Raw Material, Finished goods and Work in progress based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory.</td><td>We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories by:

• Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk.

• Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification.

• Reviewing the document and other record related to physical verification of inventories done by the management during the year.

• Verifying for a sample of individual products that costs have been correctly recorded.

• Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision.

• Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year.

Our conclusion: Based on the audit procedures performed we did not identify any material exceptions in the Inventory valuation.</td></tr>
<tr><td>B. Revenue Recognition

The accuracy of amounts recorded as revenue is an inherent risk due to the complexity involve.

The application of revenue recognition accounting standards Ind AS 115 is complex and involves a number of judgments and estimates. Refer note no 2.3 (h) to Critical accounting judgments including those involving estimations and Revenue recognition. Revenue is recognised when the control of the underlying products has been transferred to customer along with the satisfaction of the Company's performance obligation under a contract with customer.</td><td>As part of our audit, we understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition and evaluated the design and operative effectiveness of the financial controls from the above through our test of control procedures.

• Tested a sample of sales transactions for compliance with the Company's accounting principles to assess the completeness, occurrence and accuracy of revenue recorded.

• Performing procedures to ensure that the revenue recognition criteria adopted by Company for all major revenue streams is appropriate and in line with the Company's accounting policies.

• We tested the Company's system generated reports, based on which revenue is accrued at the year end, and performed tests of details on the accrued revenue and accounts receivable balances recognized in the balance sheet at the year end.

• Our tests of detail focused on transactions occurring within proximity of the year end and obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents or system generated reports. We considered the appropriateness and accuracy of any cut-off adjustments.</td></tr>
</table>

Descriptions of Key Audit Matter	How we addressed the matter in our audit
Due to the Company's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts and incentive schemes to be recognised based on sales made during the year is material and considered to be complex and judgmental. In view of the complexity of the revenue recognition and the judgments and estimates involved the recognition of revenue and provisions of discounts and incentives expenses was a matter of most significance to our audit.	• Obtaining and inspecting, on a sample basis, supporting documentation for discounts, incentives and rebates recorded and disbursed during the year as well as credit notes issued after the year end to determine whether these were recorded appropriately. • Performed retrospective review of the Management's estimate by comparing utilisation of incentives with previously recognised corresponding liability. We also considered the developments during the year and subsequent to the year-end (including the impact of COVID 19) that would significantly affect the measurement of the year end incentive liability. • Traced disclosure information to accounting records and other supporting documentation. **Our Conclusion:** Based on the audit procedures performed we did not identify any material exceptions in the recognition of revenue and incentives and discount expenses.

Information Other than the consolidated financial statements and auditor's report thereon

5. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the annual reports, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the consolidated financial statements

6. 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, consolidated cash flows and consolidated changes in equity of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for the 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 fraud 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 has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibility for the Audit of the consolidated financial statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    a) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

    c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

    e) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

    f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

12. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the consolidated financial statements/ financial statements and financial information's of seven subsidiaries whose financial statements / financial information reflect total assets of ₹714.24 Lakhs and net assets ₹680.97 Lakhs as at March 31, 2021 and total revenue

of ₹3.80 Lakhs, total net loss after tax of ₹9.91 Lakhs and total comprehensive loss of ₹9.91 Lakhs for the year ended March 31, 2021 and netcash outflow of ₹5.36 Lakhs for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management 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.

16. We did not audit the consolidated financial statements / standalone financial statements and financial information's of five foreign subsidiaries (including the stepdown subsidiaries), whose financial statements / financial information reflect total assets of ₹11,803.15 Lakhs and total net assets of ₹8,881.45 Lakhs as at March 31, 2021, total revenue of ₹4,338.45 Lakhs, total net loss after tax of ₹16.14 Lakhs and total comprehensivelossof ₹593.93 Lakhs for the year ended March 31, 2021 and net cash inflow of ₹1,119.39 Lakhs for the year ended on that date as considered in the consolidated financial statements. These 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 the audited financials statement under their local GAAP and have been converted by management in to India GAAP and certified by the management.

    Our opinion on the statement is not modified in respect of the above matters with regard to our reliance on the work done and the reports of the other auditors and the converted Indian GAAP financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought andobtained 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 the other auditor.

    (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated cash flow statement and the 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 specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries companies incorporated in India, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2021 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 with reference toconsolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

    (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2021on the consolidated financial position of the group– Refer Note 34 (ii) to the consolidated financial statements.

        ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2021 for which there were 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 subsidiaries incorporated in India during the year ended March 31, 2021.

For Singhi& Co.
Chartered Accountants
Firm Registration Number: 302049E

(Rajiv Singhi)
Partner

Place: Kolkata
Date: June 10, 2021

Membership Number 053518
UDIN - 21053518AAAAAD4813

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 17 (f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date to the Members of Century Plyboards India Limited on the consolidated financial statements as of and for the year ended March 31,2021).

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Holding Company, as of and for the year ended March 31, 2021, we have audited the internal financial of CENTURY PLYBOARDS (INDIA) LIMITED ("the Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date.

Management's responsibility for internal financial controls

The respective Board of Directors of the Holding Company, its subsidiaries companies to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of adequacy of the internal financial control over financial reporting with reference to consolidated financial statements is applicable, which are Company's incorporated in India, are responsible for establishing and maintaining internal financial control based on internal financial controls criteria established by the respective Companies 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

Our responsibility is to express an opinion on the Holding Company and its Subsidiaries, which are Companies incorporated in India, internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting system with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with respect to these consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to theseconsolidated financial statements.

Meaning of internal financial control over financial reporting with reference to consolidated financial statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitation of internal financial control over financial reporting with reference to consolidated financial statements

Because of the inherent limitations of internal financial controlsover financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our and according to information provided to us and based on the considerations of the reports of the other auditors as referred in Other Matters paragraph below, the Holding Company, its subsidiaries which are companies incorporated in India, have, in all material respects, an adequate internal financial controls over financial reporting system with reference to these consolidatedfinancial statementsand such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at 31st March 2021, based on the internal financial control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting with reference to these consolidated financial statements in so far as it relates to separate/consolidated financial statements of seven subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Singhi& Co.
Chartered Accountants
Firm Registration Number: 302049E

(Rajiv Singhi)
Partner

Place: Kolkata
Date: June 10, 2021

Membership Number 053518
UDIN - 21053518AAAAAD4813

CONSOLIDATED BALANCE SHEET as at 31st March, 2021

₹ in Lacs

		NOTES	31st March,2021	31st March, 2020
A	**ASSETS**			
	Non Current Assets			
	Property, Plant and Equipment	3	75,377.56	77,640.99
	Capital Work-in-Progress	3	2,849.12	1,600.27
	Investment Property	5	610.16	610.16
	Goodwill	4	128.49	128.49
	Intangible Assets	4	76.30	87.76
			79,041.63	**80,067.67**
	Financial Assets			
	Investments In Others	6	25.37	21.77
	Loans and Advances	7	1,557.53	1,521.94
	Deferred Tax Assets	9	4,211.26	5,782.21
	Other non-current assets	10	2,092.19	2,273.49
			7,886.35	**9,599.41**
	Total Non Current Assets		**86,927.98**	**89,667.08**
	Current Assets			
	Inventories	11	36,916.87	39,798.03
	Financial Assets			
	Investments in Others	6	11,054.30	-
	Trade Receivables	12	30,267.94	25,684.13
	Cash and cash equivalents	13	2,581.85	2,138.30
	Bank Balances other than above	13	6,501.97	337.17
	Loans and Advances	7	870.82	559.41
	Other financial assets	8	2,677.31	2,356.35
	Current Tax Assets		529.69	435.92
	Other current assets	10	2,824.97	5,026.19
	Total Current Assets		**94,225.72**	**76,335.50**
	TOTAL ASSETS		**1,81,153.70**	**1,66,002.58**
B	**EQUITY AND LIABILITIES**			
	Equity			
	Equity Share Capital	14	2,225.27	2,225.27
	Other Equity	15	1,24,514.96	1,06,835.74
	Equity attributable to owners of the parent		**1,26,740.23**	**1,09,061.01**
	Non Controlling Interest		(120.38)	(174.25)
	Total Equity		**1,26,619.85**	**1,08,886.76**
	Liabilities			
	Non Current Liabilities			
	Financial Liabilities			
	Borrowings	16	2,632.27	5,293.25
	Lease Liabilities		1,458.34	2,127.43
	Other non-current liabilities	18	204.75	232.98
	Provisions	23	826.85	725.81
	Deferred Tax Liability	9	11.64	47.52
	Total Non Current Liabilities		**5,133.85**	**8,426.99**
	Current Liabilities			
	Financial Liabilities			
	Borrowings	19	8,784.53	18,323.08
	Lease Liabilities		861.78	573.51
	Trade Payables			
	Dues to micro and small enterprises	20	739.82	458.03
	Dues to others	20	20,145.26	14,696.84
	Other Financial Liabilities	21	10,778.86	9,066.31
	Contract Liability	21A	1,488.97	1,755.08
	Other Current Liabilities	22	4,173.96	2,270.80
	Provisions	23	721.23	710.70
	Current tax liabilities	24	1,705.59	834.48
	Total Current Liabilities		**49,400.00**	**48,688.83**
	Total Liabilities		**54,533.85**	**57,115.82**
	TOTAL EQUITY AND LIABILITIES		**1,81,153.70**	**1,66,002.58**
	Significant Accounting Policies,Key Judgements, Estimates and Assumptions	2		

The accompanying notes form an integral part of the Consolidated Financial Statements 3-53

As per our attached report of even date

For Singhi & Co.
Firm Registration No.- 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518
Place: Kolkata
Date: 10th of June, 2021

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 CONSOLIDATED PROFIT AND LOSS for the year ended 31st March, 2021

₹ in Lacs

	NOTES	2020-21	2019-20
INCOME			
Revenue from Operations	25	2,13,036.13	2,31,702.84
Other Income	26	1,732.20	1,276.44
Total Income (I)		**2,14,768.33**	**2,32,979.28**
EXPENSES			
Cost of Materials Consumed	27	82,869.59	93,731.77
Purchase of Stock-in-Trade	28	17,361.38	19,244.34
Changes in inventories of Finished Goods,Stock-in-Trade and Work-in-Progress	28	3,822.87	3,076.70
Employee Benefits Expense	29	33,155.63	35,848.08
Finance Cost	30	1,278.78	3,889.64
Depreciation and Amortisation Expense	31	6,865.08	7,631.07
Other Expenses	32	42,276.15	46,727.40
Impairment loss on Investment in Subsidiary (Refer Note No.49)		-	5,108.44
Total Expenses		**1,87,629.48**	**2,15,257.44**
Profit/(Loss) before Tax and Exceptional Items		**27,138.85**	**17,721.84**
Exceptional Items		1,181.04	-
Profit before Tax		**25,957.81**	**17,721.84**
Tax Expenses			
Current Tax		6,516.64	4,874.66
(Add)/Less:Tax provision for earlier years written back		64.27	-
Deferred Tax		383.60	318.64
Total Tax Expenses		**6,835.97**	**5,193.30**
Profit for the year before non controlling interest		**19,121.84**	**12,528.54**
Other Comprehensive Income (OCI)			
Items that will not to be reclassified to Statement of Profit and Loss:			
Re-Measurement gain/(loss) on defined benefit plans		(47.86)	(53.06)
Income tax related to above		20.12	18.54
Items that will be reclassified to Statement of Profit and Loss:			
Exchange difference in respect of Non integral foreign operations		(558.86)	1,865.25
Other Comprehensive Income for the year,net of tax		**(586.60)**	**1,830.73**
Total Comprehensive Income for the year		**18,535.24**	**14,359.27**
Profit for the year			
Attributable to:			
Equity holders of the Parent		19,146.74	15,058.15
Non-controlling interests		(24.90)	(2,529.61)
Total Comprehensive Income for the year			
Attributable to:			
Equity holders of the Parent		18,546.18	16,888.89
Non-controlling interests		(10.94)	(2,529.62)
Earnings per equity share (nominal value of share ₹1/- (Previous Year ₹1/-))			
Basic and Diluted (₹)	46	8.62	6.78
Significant Accounting Policies and Key Judgements, Estimates and Assumptions	2		

The accompanying notes form an integral part of the Consolidated Financial Statements 3-53

As per our attached report of even date

For Singhi & Co.
Firm Registration No.- 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518
Place: Kolkata
Date: 10th of June, 2021

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 CASH FLOW STATEMENT for the year ended 31st March, 2021

(₹ in lacs)

	PARTICULARS	2020-21	2019-20
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before Tax	25,957.81	17,721.84
	Adjustments for :		
	Depreciation/Amortisation	6,865.08	7,631.07
	Exceptional Items (Excise Duty Refundable added Back)	1,181.04	-
	Finance Cost	1,278.78	3,889.64
	(Profit)/Loss on disposal of Property, Plant and Equipment	(215.03)	(504.96)
	(Profit) on Sale of Current Investments	(80.69)	(110.28)
	Impairment loss on Investment in Subsidiary	-	6,446.00
	Irrecoverable Debts Written Off	8.23	67.08
	Provision for Doubtful Debts provided / (written back)	-	27.24
	Unspent Liabilities Written Back	(652.20)	(99.36)
	Unrealised Foreign Exchange Fluctuations Loss	(229.98)	743.95
	Interest Income from financial assets at amortised cost	(88.89)	(119.03)
	Operating Profit before Working Capital Changes	**34,024.15**	**35,693.19**
	Adjustments for :		
	(Increase)/Decrease in Trade Receivables	(4,555.23)	3,889.55
	(Increase)/Decrease in Inventories	2,881.16	4,995.25
	(Increase)/Decrease in Financial Assets	154.82	510.29
	(Increase)/Decrease in Other Assets	202.90	(95.44)
	Increase/(Decrease) in Long Term Provisions	101.04	530.25
	Increase/(Decrease) in Short Term Provisions	(37.33)	(341.52)
	Increase/(Decrease) in Financial Liabilities	(9.44)	369.26
	Increase/(Decrease) in Other Liabilities	2,488.08	(600.02)
	Increase/(Decrease) in Trade Payables	6,434.21	(791.34)
		7,660.21	**8,466.28**
	Cash Generated from Operations	41,684.36	44,159.47
	Direct Taxes paid (Net)	(4,631.97)	(4,146.73)
	Net Cash Flow from Operating Activities	**37,052.39**	**40,012.74**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Proceeds/(Outflow) from margin Money Deposit	(6,165.61)	(29.88)
	Purchase of Property, Plant and Equipment	(6,389.08)	(12,190.21)
	Sale of Property, Plant and Equipment	1,035.64	9,839.02
	Purchase of Current Investments	(10,977.21)	(148.60)
	Loans (Given)/Refunds (Net)	(307.63)	-
	Interest Received	205.69	74.76
	Net Cash Flow used in Investing Activities	**(22,598.20)**	**(2,454.91)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Long Term Loans	348.09	(894.81)
	Repayment of Long Term Loans	(3,181.98)	(10,401.49)
	Proceeds from Short Term Borrowings	1,847.71	12,719.88
	Repayment of Short Term Borrowings	(11,374.02)	(29,453.43)
	Principle Payment of Lease Liability	(380.82)	(358.18)
	Interest Paid (Including Interest Capitalized)	(1,169.58)	(3,875.47)
	Other Borrowing Cost Paid	(99.23)	(123.08)
	Dividend Paid	(0.81)	(4,439.75)
	Tax on Dividend	-	(913.37)

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2021

(₹ in lacs)

PARTICULARS	2020-21	2019-20
Net Cash Flow used in Financing Activities	**(14,010.64)**	**(37,739.70)**
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	**443.55**	**(181.87)**
Cash & Cash Equivalents - Opening Balance as on 1st April	2,138.30	2,320.17
Cash & Cash Equivalents - Closing Balance	2,581.85	2,138.30

The accompanying notes form an integral part of the Consolidated 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 Reconciliation between opening and closing balance's of liabilities arising from financing activities.

(₹ in Lacs)

Particulars	Liabilities from financing activities		
	Term Loan/Vehicle Loan from Banks & Financial Institutions	Current Borrowings	Lease Liability
Balance as at 1st April,2019	**18,257.76**	**34,933.87**	**-**
Ind AS116 Lease Liability Recognised	-	-	3,059.12
Interest accrued but not due as at 1st April,2019	44.83	86.55	-
Cash Flow (Net)	(10,401.50)	(16,733.55)	(358.18)
Non Cash Changes			
Fair Value Changes			
Forex	625.86	122.76	-
Finance Cost	1,163.30	1,535.60	245.54
Interest & Other Borrowing Cost Paid	(1,180.70)	(1,627.07)	(245.54)
Interest accrued but not due as at 31st March,2020	(27.43)	4.92	-
Balance as at 1st April,2020	**8,482.12**	**18,323.08**	**2,700.94**
Interest accrued but not due as at 1st April,2020	27.43	(4.92)	-
Cash Flow (Net)	(2,833.89)	(9,526.31)	(380.82)
Non Cash Changes			
Fair Value Changes			
Forex	(129.12)	(12.24)	-
Finance Cost	252.19	823.27	208.26
Interest & Other Borrowing Cost Paid	(287.26)	(784.90)	(208.26)
Interest accrued but not due as at 31st March,2021	7.64	(33.45)	-
Balance as at 31st March,2021	**5,519.10**	**8,784.53**	**2,320.12**

3 Previous year's figures have been rearranged and/or regrouped, wherever necessary

As per our attached report of even date

For Singhi & Co.
Firm Registration No.- 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518
Place: Kolkata
Date: 10th of June, 2021

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, 2021

A) Equity Share Capital

	Nos.	₹ in lacs
On 1st April ,2019*	**22,21,72,990**	**2,225.27**
Changes in equity share capital during the year	-	-
Balance at 31st March, 2020*	**22,21,72,990**	**2,225.27**
Changes in equity share capital during the year	-	-
Balance at 31st March,2021*	**22,21,72,990**	**2,225.27**

* Includes amount ₹3.54 lacs received on forfeited shares (FY 2001-02)

B) Other Equity

₹ in lacs

Particulars	Reserves and Surplus						Other Comrehensive Income (OCI)-Foreign Currency Translation Reserve	Equity attributable to owners of the company	Non Controlling Interest	Total Equity
	Securities Premium Reserve	Amalgamation Reserve	Retained Earnings	Capital Redemption Reserve	General Reserve	Capital Reserve				
Balance at 1st April, 2019	**1,892.77**	**317.40**	**91,284.95**	**50.00**	**990.19**	**262.41**	**469.08**	**95,266.80**	**2,531.73**	**97,798.53**
Profit for the year	-	-	15,058.15	-	-	-	-	15,058.15	(2,529.61)	12,528.54
Other Comprehensive Income for the year, net of tax	-	-	(34.52)	-	-	-	-	(34.52)	-	(34.52)
Final Dividend for the year 2018-19	-	-	(2,221.73)	-	-	-	-	(2,221.73)	-	(2,221.73)
Tax on final dividend for the the year 2018-19	-	-	(456.68)	-	-	-	-	(456.68)	-	(456.68)
Interim Dividend for the year 2019-20	-	-	(2,221.73)	-	-	-	-	(2,221.73)	-	(2,221.73)
Tax on Interim dividend for the the year 2019-20	-	-	(456.68)	-	-	-	-	(456.68)	-	(456.68)
Exchange difference in respect of Non integral foreign operations	-	-	-	-	-	-	1,865.25	1,865.25	-	1,865.25
On acquisition of subsidiary during the year	-	-	36.88	-	-	-	-	36.88	(176.37)	(139.49)
Balance at 31st March, 2020	**1,892.77**	**317.40**	**1,00,988.64**	**50.00**	**990.19**	**262.41**	**2,334.33**	**1,06,835.74**	**(174.25)**	**1,06,661.49**
Adjustments										
Profit for the year	-	-	19,146.74	-	-	-	-	19,146.74	(24.90)	19,121.84
Other Comprehensive Income for the year, net of tax	-	-	(27.74)	-	-	-	-	(27.74)	-	(27.74)
On acquisition of subsidiary during the year	-	-	-	-	-	-	-	-	78.77	78.77
Exchange difference in respect of Non integral foreign operations	-	-	-	-	-	-	(558.86)	(558.86)	-	(558.86)
FCTR re-instatement	-	-	-	-	-	-	(880.92)	(880.92)	-	(880.92)
Balance at 31st March, 2021	**1,892.77**	**317.40**	**1,20,107.64**	**50.00**	**990.19**	**262.41**	**894.55**	**1,24,514.96**	**(120.38)**	**1,24,394.58**

The accompanying notes are an integral part of the Consolidated financial statements

As per our attached report of even date

For Singhi & Co.
Firm Registration No.- 302049E
Chartered Accountants

Rajiv Singhi
Partner
Membership No. 053518
Place: Kolkata
Date: 10th of June, 2021

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, 2021

1. Corporate Information

The consolidated financial statements comprise financial statements of Century Plyboards (India) Limited (the Company) and its subsidiaries (collectively, the Group) for the year ended 31st March, 2021. 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 Fibber boards (MDF), Pre-laminated Boards, Particle Board and Flush Doors and providing Container Freight Station services (CFS). 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, Key Judgements, Estimates and Assumptions

2.1 Basis of Preparation

2.1.1 Compliance with Ind As

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.

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 Ministry of Corporate Affairs (MCA) has issued certain amendments in existing Accounting Standards which are effective from July 24, 2020.

- **Definition of Material –** amendments to Ind AS 1 and Ind AS 8 -Amendments are made to Ind AS 1-

  Presentation of Financial Statements and Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, which use a consistent definition of materiality, clarify when information is material and incorporate some of the guidance in Ind AS 1 about immaterial information.

  In particular, the amendments clarify: -

  that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and

  - the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

- **Definition of a Business –** amendments to Ind AS 103- The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits.

- **COVID-19 related concessions –** amendments to Ind AS 116- Amendments to Ind AS 116 Leases, provides a practical expedient to apply rent concessions occurring as a direct consequence of the COVID-19 pandemic. Lessee that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this Standard if the change were not a lease modification.

- **Interest Rate Benchmark Reform –** amendments to Ind AS 109 and Ind AS 107- The amendments made to Ind AS 109 Financial Instruments, and Ind AS 107 Financial Instruments: Disclosures provide certain reliefs in relation to interest rate benchmark reform. The reliefs relate to hedge accounting and have the effect that the reforms should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement.

- **Ind AS 10 (Events after the Reporting Period) -** An amendment has been made by adding the disclosure for any non-adjusting events.

- **Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) -** An accounting of restructuring plans has been substituted.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

Group's new accounting policy is described in paragraph "2.2" of Accounting Policy to the financial statements

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;

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 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 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 2021. 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 off 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 intragroup 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

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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.

d) Revenue Recognition

The Group derives revenue principally from sale of Plywood, Laminates, MDF, Particle boards, Decorative Veneers, Flush Doors and CFS services. The Group recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Group has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Group considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognises revenue for such services when the performance obligation is completed.

The Group considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates etc.

For incentives offered to customers/dealers, the Group makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

In case of related party transactions where related party meets the definition of customer (i.e. a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activity in exchange for consideration) and the transactions are within the scope of the standard then the revenue is recognised based on the principles of Ind AS 115.

Export incentives and subsidies are recognized when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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.

Minimum alternate Tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset. The said asset is created by way of credit to Statement of Profit and Loss and shown as MAT credit entitlement. The company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

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.

Effective 1st April, 2018, depreciation on property, plant and equipment is provided under Straight Line method except for certain subsidiaries which are providing 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	8-15
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 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 Straight Line method over a period of 3 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.

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 Group as lessor

Leases for which the group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

The group assesses whether a contract is or contains a lease, at inception of the contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

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

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are not presented as a separate line in the Balance Sheet but presented below similar owned assets as a separate line in the PPE note under "Notes forming part of the Financial Statement".

The group applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The group has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

I) 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 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. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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.

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).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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 receivables, cash and bank balances, loans and other financial assets of the Group.

(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 Fair Value through Other Comprehensive Income ("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.

(v) 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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.

For assets and liabilities that are recognised in the financial statements at fair value on recurring basis, the Group determines whenever transfers have occurred between levels in the hierarchy by reassessing categorization at the end of each reporting period and discloses the same.

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) Provisions

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 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 CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

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.

h. **Significant judgments when applying Ind AS 115** – Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. . The application of revenue recognition accounting standards is complex and involves a number of key judgements and estimates. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer/dealer. The Group makes estimates related to customer performance and sales volume to determine the total amounts earned and incentive to be recorded as deductions. The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of control to the customer, acceptance of delivery by the customer, etc.

i. **Estimation uncertainty relating to the global health pandemic on COVID-19-** the group has considered internal and external information up to the date of approval of financial statements in assessing the recoverability of property plant and equipments, receivables, intangible assets, cash and cash equivalent and investments. The group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions; the group expects to recover the carrying amount of these assets. The Group has concluded that the impact of COVID – 19 is not material based on these estimates .The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the group will continue to closely monitor any material changes to future economic conditions.

2.4 New Standards / Amendments to Existing Standard/ New Pronouncement issued but not yet effective upto the date of issuance of the Company's Financial Statement:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Rounding Off: For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending 31.03.2022 the total income of the Group shall be considered instead of Turnover.

Additional Disclosure in Notes to Balance Sheet:

- Shareholding of Promoter: The note on Share Capital in the Financial Statements shall mention details of the Shareholding of the Promotes along with changes, if any, during the Financial Year.

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non-Current Assets instead of Long term Loan & Advances.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specific disclosure for title deeds of Immovable Property not held in name of the Company and disclosure on revaluation of Assets
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Ratios-Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment
- Specific Disclosure Borrowing & Wilful Defaulter

Additional Disclosure in Notes to Profit & Loss Account:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

3. Property,Plant and Equipment

₹ in Lacs

	Name of Assets	COST OR VALUATION					DEPRECIATION					NET BLOCK	
		As at 1st April,2020	Additions	Disposals	FCT Reserve Adjustment	As at 31st March, 2021	As at 1st April,2020	Charge for the Year	Disposals	FCT Reserve Adjustment	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
A	**TANGIBLE ASSETS**												
	Land & Site Development												
	- Freehold	7,115.21	991.57	31.74	-	8,075.04	-	-	-	-	-	8,075.04	7,115.21
	Factory Buildings	15,875.04	1,027.68	-	(19.52)	16,883.20	2,974.35	606.08	-	(3.80)	3,576.63	13,306.57	12,900.69
	Non-Factory Buildings												
	- on Freehold Land	11,131.49	181.55	-	-	11,313.04	1,467.91	423.59	-	-	1,891.50	9,421.54	9,663.58
	- on Leasehold Land	1,127.14	31.42	-	-	1,158.56	496.20	213.67	-	-	709.87	448.69	630.94
	Storage Yard on Leasehold Land	2,373.66	67.16	-	-	2,440.82	2,178.50	8.30	-	-	2,186.80	254.02	195.16
	Plant & Machinery	55,117.17	2,254.02	483.77	(117.36)	56,770.06	18,387.95	3,751.29	177.25	(45.35)	21,916.64	34,853.42	36,729.22
	Electrical Installations	3,796.74	77.42	1.32	(6.32)	3,866.52	1,297.94	307.32	0.97	(2.41)	1,601.88	2,264.64	2,498.80
	Furniture & Fixtures	2,460.93	124.44	8.32	(0.71)	2,576.34	553.51	222.92	5.36	(0.40)	770.67	1,805.67	1,907.42
	Office Equipments	1,602.03	43.46	8.37	(0.49)	1,636.63	688.48	245.18	7.01	(0.26)	926.39	710.24	913.55
	Computers	963.49	65.88	27.10	(0.23)	1,002.04	473.10	159.43	24.75	(0.15)	607.63	394.41	490.39
	Vehicles	3,359.45	107.09	9.40	(0.44)	3,456.70	1,599.70	297.69	7.67	(0.27)	1,889.45	1,567.25	1,759.75
B	**RIGHT OF USE ASSETS**												
	Land	3,440.69	45.67	-	-	3,486.36	604.41	605.88	-	-	1,210.29	2,276.07	2,836.28
	Sub Total (A+B)	**1,08,363.04**	**5,017.36**	**570.02**	**(145.07)**	**1,12,665.31**	**30,722.05**	**6,841.35**	**223.01**	**(52.64)**	**37,287.75**	**75,377.56**	**77,640.99**
C	**CAPITAL WORK IN PROGRESS**	**1,600.27**	**1,620.27**	**371.42**	**-**	**2,849.12**	**-**	**-**	**-**	**-**	**-**	**2,849.12**	**1,600.27**

4. Intangible Assets

₹ in Lacs

	Name of Assets	COST OR VALUATION					DEPRECIATION					NET BLOCK	
		As at 1st April,2020	Additions	Disposals	FCT Reserve Adjustment	As at 31st March, 2021	As at 1st April,2020	Charge for the Year	Disposals	FCT Reserve Adjustment	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
A	**INTANGIBLE ASSETS**												
	Computer Softwares	403.05	12.38	0.20	-	415.23	315.29	23.73	0.09	-	338.93	76.30	87.76
B	Goodwill	128.49	-	-	-	128.49	-	-	-	-	-	128.49	128.49

Notes :

a) Vehicles Includes taken against vehicle loan written down Value ₹699.38 Lacs (₹950.90 Lacs) [Refer Note No.16].

b) Contractual commitments for acquisition of Property,Plant & Equipments is disclosed in Refer Note No. 34 (i)

c) For assets pledged against borrowings Refer Note No.:16 & 19

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

5. Investment Property

₹ in lacs

Particular	Amount
Opening balance at 1st April, 2019	**610.16**
Addition	-
Closing balance at 31st March, 2020	**610.16**
Addition	-
Closing balance at 31st March, 2021	**610.16**

₹ in lacs

Reconciliation of fair value:	Amount
Opening balance at 1st April, 2019	**813.00**
Fair value difference	27.00
Closing balance at 31st March, 2020	**840.00**
Fair value difference	24.00
Closing balance at 31st March, 2021	**864.00**

These valuations are based on valuations performed by Mr. Parameswar Sharma, 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.

6. INVESTMENTS

₹ in lacs

Particular	Face Value per share	No. of Shares / Units	As at 31st March 2021	As at 31st March 2020
Non-Current Investments				
Unquoted Equity Instruments				
Investments In Others (at FVTPL)				
Watsun Infrabuild Pvt. Ltd.	10	215000	21.50	20.02
		(200223)		
OPG Power Generation Pvt. Ltd.	11.50	18400	2.12	-
Association of Indian Panelboard Manufacturer	10	500	0.50	0.50
Indian Laminate Manufacturer's Association	1000	125	1.25	1.25
Total			**25.37**	**21.77**
Current Investments				
Mutual Fund (at FVTPL)			11,054.30	-
			11,054.30	**-**
Aggregate amount of unquoted investment			**11,079.67**	**21.77**

7. Loans and Advances (at amortised cost)

₹ in Lacs

	Non Current		Current	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Security Deposits	1,557.53	1,521.94	413.19	409.41
Loans:				
- To a Body corporate	-	-	457.63	150.00
Total	**1,557.53**	**1,521.94**	**870.82**	**559.41**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

8. Other Financial Assets(At Amortised Cost)

₹ in Lacs

	Current	
	31st March, 2021	31st March, 2020
Unsecured Considered Good		
Advances recoverable in cash or kind	1,755.67	1,575.68
Other Receivables	659.92	563.47
Interest accrued on Loans, Deposits etc	13.82	130.62
Insurance Claim Receivable	247.90	86.58
Total	**2,677.31**	**2,356.35**
Due from officer of the Company	-	-

9. Income Tax

₹ in Lacs

		31st March, 2021	31st March, 2020
(i)	**Current income tax recognised in Statement of Profit & Loss**		
	Current income tax	6,516.64	4,874.66
	Provision for tax for earlier year's written back	64.27	-
	Deferred Tax	383.60	318.64
	Income tax expense reported in the Statement of Profit or Loss	**6,835.97**	**5,193.30**
	OCI section		
	Current Tax recognised for Other Comprehensive Income (OCI)		
	Tax on net loss(gain) on remeasurement of defined benefit plan	20.12	18.54
		20.12	**18.54**
(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	861.79	816.79
	Plant Property and Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(2,844.78)	(2,400.42)
	Provision for doubtful debts and advances	313.02	313.02
		(1,669.97)	**(1,270.61)**
	Minimum Alternate Tax Credit Entitlement *	5,881.22	7,052.82
	Deferred Tax Assets	**4,211.26**	**5,782.21**
(iii)	**Deferred Tax Liability**		
	Plant Property and Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	11.64	47.52
	Deferred Tax Liability	**11.64**	**47.52**
(iv)	**Deferred Tax (Net) (Recognised in Total Comprehensive Income)**		
	a) Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	45.00	65.86
	b) Plant Property and Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(408.48)	(365.96)
		(363.48)	**(300.10)**

* The management is certain that there will be sufficient taxable profit to utilise the MAT credit recognised in the books of accounts.

9. Income Tax (contd)

(v) Movement in deferred tax assets and liabilities:

₹ in Lacs

Particulars	As at 1st April, 2019	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31st March, 2020	MAT credit Utilised	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31st March, 2021
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	750.93	47.32	18.54	816.79	-	24.88	20.12	861.79
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(1,965.93)	(434.49)	-	(2,400.42)	-	(444.36)	-	(2,844.78)
Provision for doubtful debts and advances	313.02	-	-	313.02	-	-	-	313.02
Minimum Alternate Tax Credit Entitlement	7,052.82	-	-	7,052.82	(1,171.60)	-	-	5,881.22
Total Deferred Tax Assets	**6,150.84**	**(387.17)**	**18.54**	**5,782.21**	**(1,171.60)**	**(419.48)**	**20.12**	**4,211.26**
Deferred Tax Liability								
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(116.05)	68.53	-	(47.52)	-	35.88	-	(11.64)
Total Deferred Tax Liability	**(116.05)**	**68.53**	**-**	**(47.52)**	**-**	**35.88**	**-**	**(11.64)**

(vii) The Taxation Law (Amendments) Act 2019, in India provides an option to domestic companies to pay income-tax at a lower rate of 22% (plus applicable surcharge and cess) instead of the normal rate of 30% (plus applicable surcharge and cess) depending on the conditions specified in this behalf under section 115 BAA of the Income Tax Act, 1961. A domestic company can avail of the lower tax rate only if it opts for not availing of certain exemptions or incentives specified in this behalf in the Act. There is no time limit prescribed under the above to choose the option of lower tax rate under section 115BAA, however, once chosen it is irreversible. The Company has made an assessment of the impact of Act and decided to continue with the existing tax structure until the utilisation of MAT credit entitlement and tax incentives available to the Company. In compliance with the accounting standards, the Company has evaluated the outstanding deferred tax liability and written back an amount of ₹106.46 (₹759.00) lacs to the statement of profit and loss accounts on account of re-measurement of deferred tax liability that is expected to reverse in future when the Company would migrate to the new tax regime.

(viii) The Group has reviewed its income tax treatments in order to determine whether they could have an impact on the financial statements and concluded that it has no material impact on the Company's financial statements. As a practice, where the interpretation of income tax law is not clear, management relies on the some or all of the following factors to determine the probability of its acceptance by the tax authority: • Strength of technical and judicial argument and clarity of the legislation; • Past experience related to similar tax treatments in its own case; • Legal and professional advice or case law related to other entities. After analysing above factors for each of such uncertain tax treatments, where the Company expects that the probability to sustain its position on ultimate resolution of such uncertain tax treatment is remote, the Company ensures that such uncertain tax positions are adequately provided for in the Company's financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

10. Other Assets

₹ in Lacs

	Non Current		Current	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Anti Dumping Duty Receivable (Refer Note 40)	-	-	176.66	176.66
Capital Advances Against Plant Property and Equipment	2,068.17	2,139.88	15.78	8.00
Advance to Vendors	-	-	1,256.74	2,801.32
Deposits against Demand under Disputes	-	-	76.30	67.43
Balance with Statutory/Government Authorities	-	-	2.98	167.40
Central/State Government Subsidies Receivable	-	-	664.34	1,366.63
Prepaid Expenses	24.02	133.61	632.17	438.75
Total	**2,092.19**	**2,273.49**	**2,824.97**	**5,026.19**

11. Inventories

₹ in Lacs

	NOTES	31st March, 2021	31st March, 2020
(At Lower of Cost or Net Realisable Value)			
Raw Materials	27	17,345.38	16,672.96
Work-in-Progress	28	3,226.48	4,141.39
Stock in Trade	28	3,332.28	2,421.13
Finished Goods	28	9,314.47	13,133.58
Stores & Spares Parts, etc		3,698.26	3,428.97
Total		**36,916.87**	**39,798.03**
Note:-			
The above includes Stock-in-Transit			
Raw Materials		908.45	1,556.93
Stock in Trade		106.46	246.40
Inventories are pledged against the cash credit limit obtained by the Group			
During the year ₹321.10 lacs (31st March, 2020: ₹321.10 lacs) was charged to the Statement of Profit and Loss on account of damage and slow moving inventory.			

12. Trade Receivables

₹ in Lacs

	Current	
	31st March, 2021	31st March, 2020
Trade Receivables (Unsecured)		
Considered Good	30,267.94	25,684.13
Receivables which have significant increase in credit risk	895.76	895.76
	31,163.70	**26,579.89**
Less:Allowances	895.76	895.76
Total	**30,267.94**	**25,684.13**
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.		
No debts are due from Directors or other officers of the Company		

13. Cash and Bank Balances

₹ in Lacs

	31st March, 2021	31st March, 2020
(i) Cash and Cash Equivalents		
Cash on hand	436.40	101.83
Balances with Banks		
On Current accounts	2,111.40	2,026.70
Cheques/Drafts on hand	34.05	9.77
	2,581.85	**2,138.30**
Note: There is no repatriation restrictions with regard to cash and cash equivalent as at the end of the reporting period and prior periods		
(ii) Bank Balances other than above		
Margin Money Deposits with Original Maturity of more than 3 months but less than 12 months	6,475.88	310.27
Unpaid Dividend Account	26.09	26.90
Total	**6,501.97**	**337.17**

14. Equity Share Capital

₹ in Lacs

	31st March, 2021	31st March, 2020
Authorised		
65,05,00,000 (65,05,00,000 as at 31st March, 2020) Equity Shares of ₹1/- each	6,505.00	6,505.00
15,00,000 (15,00,000 as at 31st March, 2020) Preference Shares of ₹10/- each	150.00	150.00
50,000 (50,000 as at 31st March, 2020) Preference Shares of ₹100/- each	50.00	50.00
Total	**6,705.00**	**6,705.00**
Issued		
22,35,52,990 (22,35,52,990 as at 31st March,2020) Equity Shares of ₹1/- each	2,235.53	2,235.53
Total	**2,235.53**	**2,235.53**
Subscribed and Paid up		
22,21,72,990 (22,21,72,990 as at 31st March, 2020) 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, 2021		31st March, 2020	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

14. Equity Share Capital (contd)

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**

Equity Shares	31st March, 2021		31st March, 2020	
	No. of Shares	% holding	No. of Shares	% holding
Sri Sajjan Bhajanka	2,62,14,037	11.80%	2,62,14,037	11.80%
Sri Sanjay Agarwal	2,48,80,460	11.20%	2,48,80,460	11.20%
Smt. Divya Agarwal	1,67,49,750	7.54%	1,67,49,750	7.54%
Smt. Santosh Bhajanka	1,54,49,500	6.95%	1,54,49,500	6.95%
Sri Vishnu Khemani	1,27,86,900	5.76%	1,27,86,900	5.76%

As per records of the Company, including its register of members as at 31st March, 2021, 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.1,38,000 equity shares of ₹10/-each(post split 13,80,000 equity shares of ₹1/- each) on which ₹3.54 lacs had been paid up, were forfeited in the year 2001-2002

15. Other Equity

₹ in Lacs

	31st March, 2021	31st March, 2020
Capital Reserve	262.41	262.41
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	2,334.33	469.08
FCTR re-instatement	(880.92)	
Add:Exchnage difference in respect of Non integral foreign operations	(558.86)	1,865.25
Foreign Currency Translation Reserve	**894.55**	**2,334.33**
General Reserve	990.19	990.19
Capital Redemption Reserve	50.00	50.00
Total	**4,407.32**	**5,847.10**
Retained Earnings		
Balance at the beginning of the year	1,00,988.64	91,284.95
Other Comprehensive Income arising from remeasurement of defined benefit obligation (net of tax)	(27.74)	(34.52)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

15. Other Equity (contd)

₹ in Lacs

	31st March, 2021	31st March, 2020
Add: On acquisition of subsidiary during the year	-	36.88
Add: Profit for the year	19,146.74	15,058.15
Less: Appropriations		
Payment of Final Dividend for the year 2018-19	-	2,221.73
Tax on final dividend for the year 2018-19	-	456.68
Interim Dividend ₹1 (NIL) per share for the year 2019-20	-	2,221.73
Tax on Interim Equity Dividend	-	456.68
Total Appropriations	**-**	**5,356.82**
Balance at the end of the year	**1,20,107.64**	**1,00,988.64**
Total	**1,24,514.96**	**1,06,835.74**

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.

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 Lacs

	Non Current		Current	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Term Loans (Secured)				
Indian Rupee Loan from Banks	253.09	-	84.36	-
Foreign Currency Loan from Banks	2,372.85	5,150.44	2,648.47	2,716.57
Other Loans and Advances (Secured)				
Auto,Car/Vehicle Loan				
- From banks	-	142.81	149.69	472.30
- From Bodies Corporate	6.33	-	4.31	-
	2,632.27	**5,293.25**	**2,886.83**	**3,188.87**
Amount disclosed under the head " Other Current Financial Liabilities" (Refer Note No.21)	-	-	(2886.83)	(3188.87)
Total	**2,632.27**	**5,293.25**	**-**	**-**

Notes:-

(a) Foreign currency term loan of ₹3091.93 Lacs (31st March 2020 : ₹4757.17) carries interest @6 months LIBOR + 1.30% p.a (31st March 2020 @6 months LIBOR + 1.30% p.a.). The loan is repayable in 16 unequal quarterly installments by 31st March 2023 and is secured/to be secured by 1st charge on all the fixed assets pertaining to the Plywood Unit at Bishnupur, West Bengal on pari passu basis with other term lenders.

(b) Foreign currency term loan of ₹1929.38 Lacs (31st March, 2020 : ₹3109.30 lacs) carries interest @ 6 Months LIBOR + 1.25% p.a. (31st March 2020 @ 6 Months LIBOR + 1.25% p.a.). The Loan is repayable in 16 equal quarterly instalments commencing from

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

16. Borrowings (At Amortised Cost) (contd)

January 2019 & ending 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.

(c) Auto,Car/Vechicle loans are secured by hypothecation of the assets purchased there against and carrying interest between 8.41% p.a to 9.90% p.a (8.41% to 9.90%p.a).

17. Other Financial Liabilities

₹ in Lacs

	Non Current	
	31st March, 2021	31st March, 2020
Trade Deposits	1,745.59	1,726.80
Amount disclosed under the head Other Current Financial Liabilities (Refer Note No.21)	(1,745.59)	(1,726.80)
Total	-	-

18. Other Non Current Liabilities

₹ in Lacs

	31st March, 2021	31st March, 2020
Deferred Revenue		
At 1st April	302.56	143.51
Add: Capital Subsidy received during the year	-	262.45
Released to the statement of profit and loss	28.23	103.40
At 31st March	**274.33**	**302.56**
Current (Amount disclosed under the head Other Current Liabilites) (Refer Note No.22)	69.58	69.58
Non-current	204.75	232.98

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 recognised in Statement of Profit and Loss.

19. Short Term Borrowings(At Amortised Cost)

₹ in Lacs

	31st March, 2021	31st March, 2020
Loans repayable on demand		
Cash Credit from banks (Secured)	2,280.73	1,738.02
Others		
- From a Director	-	5,352.38
- From Bodies Corporate (Unsecured)	-	4,295.29
Other Loans and advances		
Buyers Credit from banks (Secured)		
- For Raw Materials	1,503.80	3,242.39
Packing Credit (Secured)	5,000.00	3,695.00
Total	**8,784.53**	**18,323.08**

Notes:-

a) Cash Credit and Buyer's Credit from banks amounting to ₹2,271.35 lacs (31st March, 2020 : ₹4,980.41 lacs) are secured by way of first charge on current assets (both present and future) of the company.

b) The cash credit is repayable on demand and carries interest @ 7.05% to 8.35% (31st March,2020 : 8.25% to 9.85%) p.a.

19. Short Term Borrowings(At Amortised Cost) (contd)

c) Buyers credit carries interest @ LIBOR plus 0.90% to 1.55% p.a (2019-20 0.90% to 1.75% p.a) and is repayable in 90-180 days.

d) Rate of Interest for Packing Credit is 1.10% to 5.00% p.a (2019-20 3.75% to 5.75% p.a.)

e) Rate of Interest for unsecured loan from Directors & Bodies Corporate is 5.00% p.a (2019-20 5.00% p.a.)

20. Trade Payables (At Amortised Cost)

₹ in Lacs

	31st March, 2021	31st March, 2020
- Dues to Micro and Small Enterprises (Refer Note No.35)	739.82	458.03
- Dues to Others	20,145.26	14,696.84
Total	**20,885.08**	**15,154.87**

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

21. Other Current Financial Liabilities

₹ in Lacs

	31st March, 2021	31st March, 2020
Current Maturities of Long Term Debts (Refer Note No.16)	2,732.83	2,716.57
Current maturities on Vehicle Loan Obligations (Refer Note No.16)	154.00	472.30
Trade Deposits	93.79	16.58
Interest accrued but not due on Borrowings	32.44	22.47
Unpaid Dividend (To be deposited in Investor Education and Protection Fund as and when due)	26.09	26.90
Capital Creditors	586.16	389.17
Current Maturiteis of Other Current Financial Liabilities (Refer Note No.17)	1,745.59	1,726.80
Employee related liabilities	5,407.96	3,695.52
Total	**10,778.86**	**9,066.31**

21A. Contract Liabilities

₹ in Lacs

	31st March, 2021	31st March, 2020
Advances from Customers	1,488.97	1,755.08
Total	**1,488.97**	**1,755.08**

22. Other Current Liabilities

₹ in Lacs

	31st March, 2021	31st March, 2020
Statutory Dues Payable*	4,104.38	2,201.22
Deferred Revenue (Refer Note No.18)	69.58	69.58
Total	**4,173.96**	**2,270.80**

* Includes ₹1425.10 lacs (₹1425.10 lacs) 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 before Calcutta High Court. The High Court has subsequently transferred the matter to the West Bengal Taxation Tribunal.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

23. Provisions

₹ in Lacs

	Non Current		Current	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Provision for Employee Benefits				
Gratuity	821.77	725.81	2.48	-
Leave Encashment	5.08	-	718.75	710.70
Total	**826.85**	**725.81**	**721.23**	**710.70**

24. Current Tax liabilities

₹ in Lacs

	31st March, 2021	31st March, 2020
Provision for Taxation (Net of Advance Tax)	1,705.59	834.48
Total	**1,705.59**	**834.48**

25. Revenue from Operations

₹ in Lacs

	2020-21	2019-20
Revenue from Operations		
Sale of Products	2,03,721.03	2,21,703.91
Income from Services	8,224.73	8,631.00
Other Operating revenue		
Scrap Sales	135.37	201.71
Export Incentives	689.19	865.42
Indirect Tax Subsidy	249.18	254.30
Miscellaneous Income	16.63	46.50
Total	**2,13,036.13**	**2,31,702.84**

₹ in Lacs

	2020-21	2019-20
Details of Products Sold		
Plywood & Block board	1,07,742.13	1,16,533.26
Laminates	41,009.63	45,454.63
Pre-Laminated Particle Boards	5,942.93	6,676.89
Veneer	5,938.87	9,864.67
Particle Board	2,617.61	3,076.72
Medium Density Fibre Board	35,723.45	35,220.72
Agri Products	794.66	574.12
Phenol	134.75	751.76
Others	3,817.00	3,551.14
Total	**2,03,721.03**	**2,21,703.91**
Details of Income from Services		
Container Freight Station Services	8,224.73	8,625.61
Other Services	-	5.39
Total	**8,224.73**	**8,631.00**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

25. Revenue from Operations (contd)

Reconciliation of Revenue from sale of products with the contracted price

₹ in Lacs

	31st March, 2021	31st March, 2020
Contracted Price	2,13,938.68	2,31,688.83
Less: Trade discounts,volume rebates,etc.	10,217.65	9,984.92
Sale of products	**2,03,721.03**	**2,21,703.91**

1. **Refer Note No. 44 for disaggregated revenue information**
2. **Other Information**

a) The Company satisfies its performance obligation on shipment/delivery as per terms of contract.

b) The contract does not have any financing component.

26. Other Income

₹ in Lacs

	2020-21	2019-20
Interest Income from financial assets at amortised cost	88.89	119.03
Insurance and Other Claims	28.95	30.03
Unspent/Unclaimed liabilities written back	652.20	99.36
Profit on Plant Property and Equipment Sold /Discarded	215.03	512.05
Bad Debts Recovered	-	0.61
Foreign Exchange Fluctuations (Net)	595.55	204.75
Net gain on sale of Investments carried at FVTPL	80.69	110.28
Miscellaneous Receipts	15.76	98.93
Government Grant	55.13	101.40
Total	**1,732.20**	**1,276.44**

27. Cost of Materials Consumed

₹ in Lacs

	2020-21	2019-20
Inventories at the beginning of the year	16,672.96	20,080.02
Add : Purchases	83,542.01	90,324.71
	1,00,214.97	1,10,404.73
Less : Inventories at the end of the year	17,345.38	16,672.96
Cost of Materials Consumed	**82,869.59**	**93,731.77**
Details of Material Consumed		
Timber Logs	6,157.30	12,972.09
Veneer	32,794.41	30,838.18
Chemicals	19,178.53	21,623.80
Paper	14,905.42	17,415.09
Waste Wood	9,747.55	10,865.69
Particle Board	86.38	16.92
Total	**82,869.59**	**93,731.77**
Details of Closing Stock of Materials		
Timber Logs	1,688.93	2,584.50
Veneer	8,297.57	7,340.02
Chemicals	1,599.20	1,381.51
Paper	5,168.96	4,684.62
Particle Board	25.22	29.43
Waste Wood	565.50	652.88
Total	**17,345.38**	**16,672.96**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

28. Purchase of Stock-in-Trade and Changes in Inventories of Finished Goods,Work-in-Progress and Stock-in-Trade

₹ in Lacs

	2020-21	2019-20
Inventories at the beginning of the year		
Stock in Trade	2,421.13	3,422.43
Finished Goods	13,133.58	14,773.79
Work-in-Progress	4,141.39	4,576.58
	19,696.10	**22,772.80**
Inventories at the end of the year		
Stock in Trade	3,332.28	2,421.13
Finished Goods	9,314.47	13,133.58
Work-in-Progress	3,226.48	4,141.39
	15,873.23	**19,696.10**
Changes in inventories of Finished Goods,Stock-in-Trade and Work-in-Progress	**3,822.87**	**3,076.70**
Details of Purchase of Stock in Trade		
Plywood and Block boards	12,428.00	13,131.85
Veneer	1,518.84	2,201.49
Chemicals	597.86	562.84
Pest Control Kits	68.23	19.17
Phenol	132.02	736.62
Others	2,616.43	2,592.37
Total	**17,361.38**	**19,244.34**
Details of Inventories at the end of the year		
Stock in Trade		
Plywood and Block board	1,533.65	1,338.85
Chemicals	87.03	89.26
Pest Control Kits	62.62	45.21
Veneer	1,016.23	377.48
Others	632.75	570.33
Total	**3,332.28**	**2,421.13**
Finished Goods at the end of the year		
Plywood and Block board	2,175.37	4,199.71
Laminates	3,096.92	3,351.54
Pre-Laminated Particle Boards	7.86	1.36
Medium Density Fibre board	1,249.50	2,126.65
Veneer	2,784.82	3,454.32
Total	**9,314.47**	**13,133.58**
Work-in-Progress at the end of the year		
Plywood and Block board	1,851.72	2,622.51
Laminates	996.77	994.08
Medium Density Fibre Board	159.02	148.70
Pre-Laminated Particle Boards	218.97	376.10
Total	**3,226.48**	**4,141.39**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

29. Employee Benefits Expense

₹ in Lacs

	2020-21	2019-20
Employee Benefits Expense		
Salaries, Wages, Bonus etc	30,702.41	33,106.97
Contribution to Provident, Gratuity and other Funds	2,079.67	2,277.04
Employees Welfare Expenses	373.55	464.07
Total	**33,155.63**	**35,848.08**

30. Finance Cost

₹ in Lacs

	2020-21	2019-20
Interest Expenses	1,238.14	2,976.69
Exchange difference to the extent considered as an adjustment to borrowing costs	(58.59)	789.87
Other Borrowing cost	99.23	123.08
Total	**1,278.78**	**3,889.64**

31. Depreciation and Amortisation Expense

₹ in Lacs

	2020-21	2019-20
Depreciation on Tangible Assets	6,841.35	7,605.47
Amortisation of Intangible Assets	23.73	25.60
Total	**6,865.08**	**7,631.07**

32. Other Expenses

₹ in Lacs

	2020-21	2019-20
Stores & Spare parts consumed	2,698.46	3,022.84
Power and Fuel	7,525.94	8,862.05
Insurance	646.43	376.83
Rent	1,110.31	1,100.64
Rates & Taxes	377.85	389.79
Repairs & Maintenance		
-Property	332.69	274.63
-Plant and Equipment	1,081.52	1,219.47
-Others	704.84	779.12
Transport & Freight	11,122.05	12,187.14
Commission on Sales	1,013.48	1,105.79
Advertisement, Publicity and Sales Promotion	8,211.65	8,857.31
Communication Expenses	256.49	284.40
Directors' Sitting Fees and Commission	56.50	55.50
Auditors' Remuneration #	65.59	52.58
Corporate Social Responsibility Activities (Refer Note No.39)	543.29	444.92
Charity and Donations	765.54	147.90
Foreign Exchange Fluctuations (Net)	1.03	-
Loss on Plant Property and Equipment Sold /Discarded	-	7.09
Irrecoverable Debts, Advances written off	8.23	67.08

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

32. Other Expenses (contd)

₹ in Lacs

	2020-21	2019-20
Provision for Doubtful Debts	-	27.24
Miscellaneous Expenses	5,754.26	7,465.08
Total	**42,276.15**	**46,727.40**
# Payment to Auditors		
As Auditor		
Audit Fees	38.73	32.46
For Other Services (inclusive of fees of ₹9 lac for review of quarterly financial results)	26.80	19.70
Reimbursement of Expenses	0.06	0.42
	65.59	**52.58**

33. 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 Lacs

		31st March, 2021	31st March, 2020
1.	Current / Past Service Cost	439.75	424.47
2.	Net Interest expense	34.83	33.77
	Components of defined benefit cost recognised in P/L	**474.58**	**458.24**
3.	Re-measurement - Due to Financial Assumptions	92.84	129.88
4.	Re-measurement - Due to Experience Adjustments	(91.71)	(74.45)
5.	Re-measurement - Due to Demographic Assumptions	47.82	-
6.	Return on Plan Assets (Excluding Interest Income)	(0.64)	14.01
	Components of defined benefit cost recognised in OCI	48.31	69.44
Total Expense		**522.89**	**527.69**

II. Net Asset/ (Liability) recognised in the Balance Sheet

₹ in Lacs

		31st March, 2021	31st March, 2020
1.	Present Value of Defined Benefit Obligation	4647.08	4112.11
2.	Fair Value of Plan Assets	3822.83	3386.30
3.	Net Asset / (Liability)	(824.25)	(725.81)

III. Change in Obligation during the Year

₹ in Lacs

		31st March, 2021	31st March, 2020
1.	Present Value of Defined Benefit Obligation at the beginning of the year	4112.11	3580.87
2.	Current Service Cost/Plan amendments/Past cost	439.75	424.47
3.	Interest Cost	268.54	267.05
4.	Benefits Paid	(222.27)	(215.72)
5.	Re-measurements - Due to Financial Assumptions	92.84	129.88
6.	Re-measurements - Due to Experience Adjustments	(91.71)	(74.45)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

33. Gratuity and Other Post Employment Benefit Plans (contd)

₹ in Lacs

	31st March, 2021	31st March, 2020
7. Re-measurement - Due to Demographic Assumptions	47.82	-
8. Present Value of Defined Benefit Obligation at the end of the year	**4647.08**	**4112.11**

IV. Change in the Fair Value of Plan Assets during the year

₹ in Lacs

	31st March, 2021	31st March, 2020
1. Plan assets at the beginning of the year	3386.30	2912.19
2. Interest Income	233.72	233.29
3. Contribution by employer	424.44	470.55
4. Actual Benefit Paid	(222.27)	(215.72)
5. Re-measurement - Return on Assets (Excluding Interest Income)	0.64	(14.01)
6. Closing Fair Value of Plan Assets	**3822.83**	**3386.30**

V. In 2021-22 the Group expects to contribute ₹452.72 Lacs (2019-20: ₹453.37 Lacs) to gratuity.

VI. The Major Categories of Plan Assets as a Percentage of the Fair Value of Total Plan Assets

	31st March, 2021	31st March, 2020
Investments with insurer	100%	100%

VII. Actuarial Assumptions

	31st March, 2021	31st March, 2020
1. Discount Rate	6.40%	6.70%
2. Expected rate of return on plan assets	6.70%	6.70%
3. Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult.	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 ₹1,151.95 lacs (2019-20 - ₹1,290.31 lacs) paid towards Defined Contribution Plans

X. A quantitative sensitivity analysis for significant assumption is as shown below:

₹ in Lacs

Assumptions	31st March, 2021		31st March, 2020	
	Discount Rate		Discount Rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on Gratuity	(295.01)	335.70	(325.64)	377.70

₹ in Lacs

Assumptions	31st March, 2021		31st March, 2020	
	Future Salary Increase		Future Salary Increase	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on Gratuity	329.29	(295.38)	372.45	(295.18)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

33. Gratuity and Other Post Employment Benefit Plans (contd)

₹ in Lacs

Assumptions	31st March, 2021		31st March, 2020	
	Withdrawal Rates		Withdrawal Rates	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on Gratuity	3.47	(3.89)	13.26	(15.61)

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 Lacs

	As on 31st March, 2021	As on 31st March, 2020
Year 1	643.24	432.36
Year 2	490.39	303.29
Year 3	497.39	366.02
Year 4	501.47	380.54
Year 5	644.32	379.67
Next 5 Years	3313.86	3078.48

34. Commitments and Contingencies

(i) Capital and Other Commitments

₹ in Lacs

	As on 31st March, 2021	As on 31st March, 2020
Commitment for Acquisition of Property, Plant & Equipments (Net of Advance)	9,477.58	1,235.13
Letter of Credit issued by Banks	3,034.31	2,700.58

(ii) Contingent Liabilities

₹ in Lacs

	As on 31st March, 2021	As on 31st March, 2020
Demands / Claims by various Government Authorities and Others not acknowledged as Debt:		
Excise Duty/Service Tax [Amount deposited : 36.36 (P.Y. 54.05)]	814.07	1,055.20
Sales Tax / VAT/Entry Tax*	643.65	925.81
Income Tax	639.60	2,259.31
Others (Outstanding Amount at the year end)	840.52	835.42
Un-redeemed Bank Guarantees	712.41	805.35
Bills Discounted with Banks	41.40	97.28
Excise Duty Refund Claim **	-	1,181.04

*Contingent amount includes tax amount and interest quantified in the assessment order.

** Refer Note No. 36

35. 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 Lacs

	2020 - 21	2019 - 20
Principal Amount due	739.82	458.03
Interest due on above	-	-
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	-	-

36. Exceptional Item - Expenses

Exceptional item of ₹1,181.04 lacs for the period ended 31st March, 2021, represents reversal of refund of 50% of differential excise duty paid in cash, for its plywood unit in north-east India, claimed earlier on the basis of favourable decision by Hon'ble Guwahati High Court, which was passed relying on the decision by Hon'ble Supreme Court in the case of M/s V.V.F Limited & others versus the Union of India. However, the Hon'ble Supreme Court, vide its judgement dated 22 April 2020 has reversed its earlier decision in the case of M/s V.V.F Limited, mentioned herein, and allowed the subsequent and amended notifications issued by revenue authority which replaced the 100% excise duty refund benefit as envisaged in original notification no. 20/2007, with refund equivalent to specified percentage of excise duty payable based on value addition and held that the amended notifications was clarificatory in nature and is not hit by doctrine of promissory estoppel. Further, based on the legal advice obtained by the Company from External Counsel, as well as its own assessment, there is likelihood of the Company's appeal being not considered and consequent liability may arise for refund/reversal of amount so received/provided. Accordingly, income which was previously recognized in the books of accounts is reversed.

37. Capital Management

The Group's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various shareholders but keep associated cost under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both the short term and long term.Net debt (total borrowing less current investment and cash & cash equivalent) to equity ratio is used to monitor capital No changes were made to the objective, policies or process for managing capital during the year ended 31st March, 2021 and 31st March, 2020.

	As at 31st March, 2021	As at 31st March, 2020
Debt Equity Ratio	0.09	0.22

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

38. 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 Lacs

Nature of Item	As on 31st March, 2021	As on 31st March, 2020
Foreign Currency Term Loans	-	7,539.00

b) The particulars of unhedged foreign currency exposures as on the balance sheet date are as follows:

₹ in Lacs

Nature of Item	As on 31st March, 2021	As on 31st March, 2020
Foreign Currency Term Loans	5,021.31	328.01
Buyer's Credit	1,503.80	3,242.39
Trade Receivables	1,899.47	1,695.93
Trade Payables (Net)	2,477.96	3,334.18
Trade Advances	4,062.40	1,718.21

39. The Company has a Corporate Social Responsibilities ("CSR") committee as per the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder. The main 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" is as under:-

₹ in Lacs

	2020-21	2019-20
Amount of CSR expenditure to be incurred during the year	472.06	453.99
CSR expenditure (Revenue Nature) incurred during the year	543.29	444.92
Unspent CSR amount	-	15.41

(₹ in Lacs)

Opening Balance as on 1st April,2020	Amount required to be spent during the year	Amount spent during the year	Closing Balance as on 31st March,2021
-	472.06	543.29	71.23

40. The Company has paid anti-dumping duty till date amounting to ₹176.66 lacs (Till 31st March 2020: ₹176.66 lacs) 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.

41. Related Party Disclosure:

a) Name of the Related Parties and Related Party Relationship:

Key Management Personnel and Directors	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)
	Sri Rajesh Kumar Agarwal (Executive Director)**
	Sri Santanu Ray(Independent Director)-Till 31.03.2021
	Smt. Mamta Binani (Independent Director)
	Sri J. P. Dua (Independent Director)
	Sri Vijay Chhibber (Independent Director)
	Sri Sunil Mitra (Independent Director)
	Sri Debanjan Mandal (Independent Director)
	Sri Probir Roy(Independent Director)
	Sri Amit Kiran Deb (Independent Director) – w.e.f 01.04.2020
	Sri Arun Kumar Julasaria (Chief Financial Officer)
	Sri Sundeep Jhunjhunwala (Company Secretary)

*Ceased to be director w.e.f. 18.12.2020 due to demise

**Sri Rajesh Kumar Agarwal appointed as executive director w.e.f. 09.02.2021

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 (Mother of Sri Rajesh Kumar 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 Late Hari Prasad Agarwal)-Till 08.02.2021
	Smt. Bhawna Agarwal (Wife of Sri Rajesh Kumar Agarwal)
	Smt. Nancy Choudhary (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)
	Smt. Yashoda Baldawa (Mother of Sri Ajay Baldawa)
	Smt.Sanjana Bhajanka (Wife of Sri Keshav Bhajanka)
	Smt. Kriti Rathi (Daughter of Sri Ajay Baldawa)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

41. Related Party Disclosure: (contd)

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.
	Auroville Investments Pvt. Ltd
	Aegis Business Ltd.
	Pacific Plywoods Pvt. Ltd.
	Century Led Ltd.
	Landmark Veneers Pvt. Ltd.
	Star Cement Meghalaya Ltd.
	Fox & Mandal LLP
	Amul Boards Pvt. Ltd.

41. (b) Aggregated Related Party disclosure as at and for the year ended 31st March, 2021

(₹ in Lacs)

Sl. No.	Type of Transactions	Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1	**Purchase of Raw Materials / Stores**								
	Star Cement Ltd	-	-	-	-	17.85	15.93	17.85	15.93
	Landmark Veneers Pvt Ltd	-	-	-	-	105.17	135.77	105.17	135.77
	Amul Boards Pvt Ltd	-	-	-	-	102.30	0.71	102.30	0.71
	Century Led Ltd	-	-	-	-	24.92	7.68	24.92	7.68
2	**Sale of Products**								
	Amul Boards Pvt Ltd	-	-	-	-	-	1.83	-	1.83
3	**Services Availed/(Provided)**								
	Smt Yash Bala Bhajanka	-	-	15.75	14.63	-	-	15.75	14.63
	Century Led Ltd	-	-	-	-	(2.53)	(9.75)	(2.53)	(9.75)
	Sri Ajay Baldawa	1.93	1.93	-	-	-	-	1.93	1.93
	Smt. Yashoda Baldawa	-	-	-	0.63	-	-	-	0.63
	Star Cement Meghalaya Ltd.	-	-	-	-	-	(3.93)	-	(3.93)
	Pacific Plywoods Pvt Ltd	-	-	-	-	5.60	5.60	5.60	5.60
	Star Cement Ltd	-	-	-	-	(111.56)	(116.24)	(111.56)	(116.24)
	Aegis Business Ltd.	-	-	-	-	(1.20)	(1.20)	(1.20)	(1.20)
	Fox and Mandal	-	-	-	-	9.15	-	9.15	-
4	**Sale of Assets**								
	Star Cement Ltd	-	-	-	-	-	2,173.38	-	2,173.38
	Amul Boards Pvt Ltd	-	-	-	-	-	9.44	-	9.44
5	**Loan taken**								
	Brijdham Merchants Pvt. Ltd	-	-	-	-	126.00	1,884.00	126.00	1,884.00
	Sri Ram Merchants Pvt. Ltd	-	-	-	-	75.00	2,229.00	75.00	2,229.00
	Sri Ram Vanijya Pvt. Ltd	-	-	-	-	524.50	2,004.00	524.50	2,004.00
	Sumangal Business Pvt. Ltd	-	-	-	-	49.00	3,858.00	49.00	3,858.00
	Sumangal International Pvt. Ltd	-	-	-	-	144.00	2,579.00	144.00	2,579.00
	Sri Sajjan Bhajanka	5,100.00	8,018.50	-	-	-	-	5,100.00	8,018.50
	Sri Sanjay Agarwal	1,606.00	11,601.00	-	-	-	-	1,606.00	11,601.00
	Sri Keshav Bhajanka	20.00	48.00	-	-	-	-	20.00	48.00

41. Related Party Disclosure: (contd)

(₹ in Lacs)

Sl. No.	Type of Transactions	Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
6	**Loan Repaid (Including outstanding interest)**								
	Brijdham Merchants Pvt. Ltd	-	-	-	-	908.63	1,120.00	908.63	1,120.00
	Sri Ram Merchants Pvt. Ltd	-	-	-	-	267.88	2,047.50	267.88	2,047.50
	Sri Ram Vanijya Pvt. Ltd	-	-	-	-	762.22	1,782.00	762.22	1,782.00
	Sumangal Business Pvt. Ltd	-	-	-	-	2,021.65	1,929.50	2,021.65	1,929.50
	Sumangal International Pvt. Ltd	-	-	-	-	1,222.15	1,535.00	1,222.15	1,535.00
	Sri Sajjan Bhajanka	6,227.09	6,981.00	-	-	-	-	6,227.09	6,981.00
	Sri Sanjay Agarwal	5,780.63	7,532.00	-	-	-	-	5,780.63	7,532.00
	Sri Keshav Bhajanka	70.15	-	-	-	-	-	70.15	-
7	**Reimbursement Paid/(Received)**								
	Century Led Ltd	-	-	-	-	0.46	-	0.46	-
	Sundeep Jhunjhunwala	5.00	5.00	-	-	-	-	5.00	5.00
8	**Interest Paid**								
	Brijdham Merchants Pvt. Ltd	-	-	-	-	19.76	20.70	19.76	20.70
	Sri Ram Merchants Pvt. Ltd	-	-	-	-	4.58	12.65	4.58	12.65
	Sri Ram Vanijya Pvt. Ltd	-	-	-	-	7.95	17.47	7.95	17.47
	Sumangal International Pvt. Ltd	-	-	-	-	25.41	49.06	25.41	49.06
	Sumangal Business Pvt. Ltd	-	-	-	-	15.53	37.95	15.53	37.95
	Sri Sajjan Bhajanka	116.49	100.11	-	-	-	-	116.49	100.11
	Sri Sanjay Agarwal	80.80	117.37	-	-	-	-	80.80	117.37
	Sri Keshav Bhajanka	2.61	2.39	-	-	-	-	2.61	2.39
9	**Director's Remuneration Paid #**								
	Sri Sajjan Bhajanka	203.41	120.00	-	-	-	-	203.41	120.00
	Sri Sanjay Agarwal	203.41	120.00	-	-	-	-	203.41	120.00
	Sri Prem Kumar Bhajanka	448.62	120.00	-	-	-	-	448.62	120.00
	Sri Vishnu Khemani	203.17	120.00	-	-	-	-	203.17	120.00
	Sri Ajay Baldawa	240.00	240.00	-	-	-	-	240.00	240.00
	Sri Hari Prasad Agarwal	10.00	60.00	-	-	-	-	10.00	60.00
	Sri Keshav Bhajanka	54.63	50.00	-	-	-	-	54.63	50.00
	Smt Nikita Bansal	25.93	24.00	-	-	-	-	25.93	24.00
	Sri Rajesh Kumar Agarwal	7.69	-	-	-	-	-	7.69	-
10	**Director's Sitting Fees**								
	Sri Mangi Lal Jain	-	4.50	-	-	-	-	-	4.50
	Sri Santanu Ray	4.25	4.25	-	-	-	-	4.25	4.25
	Sri Amit Kiran Deb	2.00	-	-	-	-	-	2.00	-
	Smt. Mamta Binani	3.25	4.75	-	-	-	-	3.25	4.75
	Sri J. P. Dua	3.50	2.50	-	-	-	-	3.50	2.50
	Sri Vijay Chhibber	3.25	2.50	-	-	-	-	3.25	2.50
	Sri Debanjan Mandal	2.00	1.00	-	-	-	-	2.00	1.00
	Sri Sunil Mitra	2.75	2.00	-	-	-	-	2.75	2.00
	Sri Probir Roy	3.50	2.00	-	-	-	-	3.50	2.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

41. Related Party Disclosure: (contd)

(₹ in Lacs)

Sl. No.	Type of Transactions	Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
11	**Director's Commission**								
	Sri Mangi Lal Jain	-	4.00	-	-	-	-	-	4.00
	Sri Santanu Ray	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Amit Kiran Deb	4.00	-	-	-	-	-	4.00	-
	Smt. Mamta Binani	4.00	4.00	-	-	-	-	4.00	4.00
	Sri J. P. Dua	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Vijay Chhibber	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Debanjan Mandal	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Sunil Mitra	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Probir Roy	4.00	4.00	-	-	-	-	4.00	4.00
12	**Dividend Paid**								
	Sri Sajjan Bhajanka	-	518.68	-	-	-	-	-	518.68
	Sri Sanjay Agarwal	-	497.61	-	-	-	-	-	497.61
	Smt Divya Agarwal	-	-	-	335.00	-	-	-	335.00
	Sri Vishnu Khemani	-	254.94	-	-	-	-	-	254.94
	Smt.Santosh Bhajanka	-	-	-	308.99	-	-	-	308.99
	Others	-	154.62	-	385.00	-	786.58	-	1,326.20
13	**Salary Paid**								
	Sri Arun Kumar Julasaria #	163.14	145.67	-	-	-	-	163.14	145.67
	Sri Sundeep Jhunjhunwala #	35.67	37.62	-	-	-	-	35.67	37.62
	Others	-	-	112.24	120.13	-	-	112.24	120.13
14	**Advance Given**								
	Aegis Business Ltd.	-	-	-	-	25.00	300.00	25.00	300.00
	Sri Arun Kumar Julasaria	2.00	-	-	-	-	-	2.00	-
	Sri Abhishek Rathi	-	-	-	8.10	-	-	-	8.10
15	**Advance Received Back/(Refunded)**								
	Aegis Business Ltd.	-	-	-	-	125.00	-	125.00	-
	Sri Abhishek Rathi	-	-	7.43	0.68	-	-	7.43	0.68
	Sri Sundeep Jhunjhunwala	-	7.00	-	-	-	-	-	7.00
	Sri Arun Kumar Julasaria	2.00	-	-	-	-	-	2.00	-
16 A	**Balance Outstanding on account of Receivable/(Payable)**								
	Century Led Ltd	-	-	-	-	(0.88)	0.68	(0.88)	0.68
	Aegis Business Ltd.	-	-	-	-	200.35	300.12	200.35	300.12
	Brijdham Merchants Pvt Ltd	-	-	-	-	-	(0.70)	-	(0.70)
	Sri Abhishek Rathi	-	-	-	7.43	-	-	-	7.43
	Star Cement Ltd	-	-	-	-	(0.96)	23.06	(0.96)	23.06
	Amul Boards Pvt. Ltd	-	-	-	-	(1.86)	5.00	(1.86)	5.00
	Star Cement Meghalaya Ltd.	-	-	-	-	-	0.33	-	0.33
	Pacific Plywoods Pvt. Ltd.	-	-	-	-	(5.18)	(5.01)	(5.18)	(5.01)

41. Related Party Disclosure: (contd)

(₹ in Lacs)

Sl. No.	Type of Transactions	Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
B	**Loans Receivable/(Payable) (Incl. interest)**								
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	-	(782.64)	-	(782.64)
	Sri Ram Merchants Pvt. Ltd.	-	-	-	-	-	(192.88)	-	(192.88)
	Sri Ram Vanijya Pvt. Ltd.	-	-	-	-	-	(237.72)	-	(237.72)
	Sumangal Business Pvt. Ltd.	-	-	-	-	-	(1,972.65)	-	(1,972.65)
	Sumangal International Pvt. Ltd.	-	-	-	-	-	(1,078.15)	-	(1,078.15)
	Sri Keshav Bhajanka	-	(50.15)	-	-	-	-	-	(50.15)
	Sri Sajjan Bhajanka	-	(1,127.60)	-	-	-	-	-	(1,127.60)
	Sri Sanjay Agarwal	-	(4,174.63)	-	-	-	-	-	(4,174.63)
C	**Director's Remuneration Payable**								
	Sri Sajjan Bhajanka	84.73	-	-	-	-	-	84.73	-
	Sri Sanjay Agarwal	84.72	-	-	-	-	-	84.72	-
	Sri Ajay Baldawa	66.95	-	-	-	-	-	66.95	-
	Sri Prem Kumar Bhajanka	225.13	-	-	-	-	-	225.13	-
	Sri Vishnu Khemani	87.33	-	-	-	-	-	87.33	-
	Sri Keshav Bhajanka	21.54	-	-	-	-	-	21.54	-
	Smt. Nikita Bansal	11.52	-	-	-	-	-	11.52	-
D	**Director's Commission Payable**								
	Sri Mangi Lal Jain	-	4.00	-	-	-	-	-	4.00
	Sri Santanu Ray	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Amit Kiran Deb	4.00	-	-	-	-	-	4.00	-
	Smt. Mamta Binani	4.00	4.00	-	-	-	-	4.00	4.00
	Sri J. P. Dua	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Vijay Chhibber	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Debanjan Mandal	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Sunil Mitra	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Probir Roy	4.00	4.00	-	-	-	-	4.00	4.00
E	**Salary Payable**								
	Sri Arun Kumar Julasaria	38.97	1.75	-	-	-	-	38.97	1.75
	Sri Sundeep Jhunjhunwala	1.07	-	-	-	-	-	1.07	-
	Others	-	-	4.15	0.68	-	-	4.15	0.68

Remuneration of Key Management Personnel represnets short term employee benefits.As the liabilities for defined benefit plans and compensated absences are provided on acturial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

41. (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 @5.00% p.a.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

42. Fair values measurements

Financial instruments by category:

(₹ in Lacs)

	31st March, 2021		31st March, 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Non-current financial assets				
(i) Investments	25.37	-	21.77	-
(ii) Loans and advances	-	1,557.53	-	1,521.94
Current financial assets	-		-	
(i) Trade receivable	-	30,267.94	-	25,684.13
(ii) Cash and cash equivalents	-	2,581.85	-	2,138.30
(iii) Bank balances other than above	-	6,501.97	-	337.17
(iv) Investments	11,054.30	-	-	-
(v) Loans and advances	-	870.82	-	559.41
(vi) Other current financial assets	-	2,677.31	-	2,356.35
Total Financial assets	**11,079.67**	**44,457.42**	**21.77**	**32,597.30**
Non-current financial liabilities				
(i) Borrowings	-	2,632.27	-	5,293.25
(ii) Lease liabilities	-	1,458.34	-	2,127.43
Current financial liabilities				
(i) Borrowings	-	8,784.53	-	18,323.08
(ii) Trade payables	-	20,885.08	-	15,154.87
(iii) Lease liabilities	-	861.78	-	
(iv) Other current financial liabilities	-	10,778.86	-	9,066.31
Total Financial liabilities	**-**	**45,400.86**	**-**	**50,538.44**

Notes:-

1) 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.

2) Finance income and finance cost by instrument category wise classification :-

   i) Interest income of ₹88.89 Lacs (P.Y.₹119.03 Lacs) on financial instrument at amortised cost.

   ii) Interest expense of ₹1,134.04 Lacs (P.Y. ₹2,872.83 Lacs) on borrowing at amortised cost.

43. 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.

43. Financial Risk Management Objectives and Policies (contd)

(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.

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 (₹ in Lacs)	
	As on 31st March, 2021	As on 31st March, 2020
5%	(151.74)	(153.23)
-5%	151.74	153.23

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:

	Increase/ Decrease in basis points	Effect on Profit before Tax (₹ in Lacs)
31st March, 2021	+50	(70.25)
	-50	70.25
31st March, 2020	+50	(168.97)
	-50	168.97

(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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

43. Financial Risk Management Objectives and Policies (contd)

receivables disclosed in Note 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.

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 31 March 2021 and 31 March 2020 are as follows:

₹ in Lacs

	31st March, 2021	31st March, 2020
Cash and cash equivalents	2,581.85	2,138.30
Other Bank balances	6,501.97	337.17
Loans and other receivables	870.82	559.41
Trade receivable (net)	30,267.94	25,684.13
	40,222.58	**28,719.01**

Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

₹ in Lacs

Trade Receivables (measured under life time excepted credit loss model)	31st March, 2021	31st March, 2020
Loss Allowance at the beginning of the year	895.76	895.76
Add: Loss Allowance provided during the year	-	-
Less: Write Off	-	-
Less: Loss Allowance reversed during the year	-	-
Loss Allowance at the end of the year	**895.76**	**895.76**

The ageing of trade accounts and notes receivable as of 31st March 2021 and 31st March 2020 are as follows:

₹ in Lacs

Particulars	31st March, 2021	31st March, 2020
Not due	26,901.97	18,310.34
Overdue less than 6 months	3,009.21	6,813.73
more than 6 months - 12 months	294.19	659.83
more than 12 moths - 24 months	358.36	188.30
over 24 months	599.97	607.69
Gross Amount	**31,163.70**	**26,579.89**
Less: Expected Credit Loss	895.76	895.76
Sundry Debtors Balance	**30,267.94**	**25,684.13**

No significant changes in estimation techniques or assumptions were made during the reporting period.

43. Financial Risk Management Objectives and Policies (contd)

(iii) 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. 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.

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 Lacs

Particulars	31st March, 2021	31st March, 2020
Cash and Cash Equivalents	2,581.85	2,138.30
Availability under committed credit facilities	8,732.45	33,128.35

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

(₹ in Lacs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 years	Total
Year ended 31st March, 2021						
Borrowings	8,784.53	2,632.27	-	-	-	11,416.80
Other financial liabilities	10,778.86	-	-	-	-	10,778.86
Trade payables	20,885.08	-	-	-	-	20,885.08
	40,448.47	**2,632.27**	**-**	**-**	**-**	**43,080.74**
Year ended 31st March, 2020						
Borrowings	18,323.08	2,859.38	2,433.86	-	-	23,616.32
Other financial liabilities	9,066.31	-	-	-	-	9,066.31
Trade payables	15,154.87	-	-	-	-	15,154.87
	42,544.26	**2,859.38**	**2,433.86**	**-**	**-**	**47,837.50**

(iv) Other Risk-Impact of the COVID 19 pandemic

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Groups's operations and revenue during the period were also impacted due to COViD-19. The Group has made detailed assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets comprising property, plant and equipment, Intangible assets, Trade Receivables, Inventory, investments, other current and non-current assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls at the balance sheet date, and has concluded that there are no material impact or adjustments required in the financial statements and does not anticipate any challenge in the Group's ability to continue as a going concern. The impact of the pandemic may be different from that estimated as at the date of approval of these results and the management continues to closely monitor any material changes to future economic conditions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

44. The Company's Segment Information as at and for the year ended 31st March 2021 are as below:

₹ in Lacs

Sl		Plywood	Laminate	MDF	Particle Board	CFS Services	Others	Total
a	**Revenue(Gross)**							
	External Sales	1,14,005.69	41,501.94	35,940.44	9,007.85	8,233.00	4,347.21	2,13,036.13
		(1,26,858.83)	(46,333.50)	(35,051.53)	(9,910.73)	(8,649.12)	(4,899.13)	(2,31,702.84)
	Inter-segment Sales	-	-			67.02	247.72	314.74
		-	-	-	-	(48.04)	(285.55)	(333.59)
	Total Revenue (Gross)	1,14,005.69	41,501.94	35,940.44	9,007.85	8,300.02	4,594.93	2,13,350.87
		(126858.83)	(46333.50)	(35,051.53)	(9,910.73)	(8697.16)	(5184.68)	(2,32,036.43)
b	**Result**							
	Segment Results	12,930.81	6,955.90	7,642.89	1,387.36	1,341.26	584.45	30,842.67
		(7,757.51)	(5,613.33)	(6,848.98)	(1,935.93)	(1,514.47)	(165.06)	(23,835.28)
	Unallocated Income/ Expenses(-) (Net of unllocated expenses/ income)							(3,606.08)
								(-2223.80)
	Operating Profit							27,236.59
								(21,611.48)
	Finance Cost							1,278.78
								(3,889.64)
	Taxation Expense							6,835.97
								(5,193.30)
	Net Profit (before non controlling interest)							19,121.84
								(12,528.54)
	Other Information							
a	**Total Assets**							
	Segment Assets	72,689.76	27,540.44	36,307.45	6,105.94	5,853.63	2,434.79	1,50,932.01
		(73,214.16)	(24,211.19)	(36,376.20)	(7,240.83)	(7,218.21)	(2,174.48)	(1,50,435.07)
	Unallocated Corporate/ Other Assets							30,221.69
								(15,567.51)
								1,81,153.70
								(1,66,002.58)
b	**Total Liabilities**							
	Segment Liabilities	23,563.22	6,097.17	3,468.85	980.56	3,167.06	554.72	37,831.58
		(15,792.27)	(5,174.75)	(3,265.65)	(626.38)	(3,564.60)	(877.79)	(29,301.44)
	Unallocated Corporate/Other Liabilities							16,702.27
								(27,814.38)
								54,533.85
								(57,115.82)
c	**Capital Expenditure ***	3,287.64	1,575.16	183.67	365.11	41.57	-	5,453.15
		(3,125.18)	(833.90)	(554.10)	(166.69)	(127.26)	(6.47)	(4,813.60)

44. The Company's Segment Information as at and for the year ended 31st March 2021 are as below:

(contd)

₹ in Lacs

Sl		Plywood	Laminate	MDF	Particle Board	CFS Services	Others	Total
	Unallocated Capital Expenditure							-
								-
d	**Depreciation/ Amortisation**	1,706.31	1,021.06	1,942.11	454.37	1,089.46	10.12	6,223.43
		(2,079.31)	(1,004.22)	(1,953.40)	(504.97)	(1,408.64)	(10.45)	(6,960.99)
	Unallocated Depreciation							641.65
								(670.08)
e	**Geographical Segment**							
	i. Revenue (Gross)							
	India							2,01,025.58
								(2,17,955.09)
	Overseas							12,010.55
								(13,747.75)
	ii. Carrying amount of Segment Assets							
	India							1,39,415.68
								(1,39,774.27)
	Overseas							11,516.33
								(10,660.80)

Note:- Previous years figures are in bracket

Notes:

(a) Business Segments: The reportable segments have been identified on the basis of the products of the Group. 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
MDF	-	Plain & Pre-laminated Medium Density Fibre Boards
Particle Board	-	Plain & Pre-laminated Particle Board
CFS Services	-	Container Freight Stations services
Others	-	Mainly Trading of Chemicals and New Age Panel products

(b) The company recognised revenue at point in time.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

45 A. The Subsidiary Companies considered in the Financial Statements are as follows:

Name	Country of Incorporation	% Voting Power as on 31st March 2021	% Voting Power as on 31st March 2020
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 Ltd.	India	60.06	60.06
Century Panels Ltd.	India	100	100
Asis Plywood Ltd.	India	100	100
Centuryply Myanmar Pvt. Ltd.	Myanmar	100	100
Century Ply (Singapore) Pte Ltd.	Singapore	90.65	90.60
Century Gabon SUARL	Gabon	100	100
Century Huesoulin Plywood Lao Co. Ltd.	Laos	51	51
Century Ply Laos Co.Ltd.	Laos	90	90

45 B. Non-Controlling Interests (NCI)

The Group has following non-wholly owned subsidiaries:-

Name of the Entity	Principal Activity	County of Incorporation	Ownership interest held by the Group	
			31st March, 2021	31st March, 2020
Auro Sundram Ply & Door Pvt. Ltd.	Manufacturing	India	51	51
Ara Suppliers Pvt. Ltd.	Property	India	80	80
Arham Sales Pvt. Ltd.	Property	India	80	80
Adonis Vyaper Pvt. Ltd.	Property	India	80	80
Apnapan Viniyog Pvt. Ltd.	Property	India	80	80
Century Infotech Ltd.	Service	India	60.06	60.06
Century Ply (Singapore) Pte Ltd.	Trading	Singapore	90.65	90.60
Century Huesoulin Plywood Lao Co. Ltd.	Manufacturing	Laos	51	51
Century Ply Laos Co.Ltd.	Manufacturing	Laos	90	90

None of the above non-wholly owned subsidiary is material to the Group, therefore financial information about these non-wholly owned subsidiary are not disclosed separately.

46. Earning per Share (EPS)

In terms of Ind AS- 33 on "Earning Per Share" the calculation of EPS is given below: -

	2020-21	2019-20
Profit as per the Statement of Profit & Loss (₹ In Lacs)	19,121,84	12,528.54
Less: Non-controlling interest share in profit & loss(₹ In Lacs)	(24.90)	(2,529.61)
Profit attributable to owners of the Company (₹ In Lacs)	19,146.74	15,058.15
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) (₹)	8.62	6.78

47. Additional Information pursuant to Schedule III of the Companies Act, 2013.

Name of the company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit & Loss		OCI		TCI	
	2020-21		2020-21		2020-21		2020-21	
	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	90.39%	1,14,564.64	100.31%	19,206.49	9.30%	(55.83)	103.26%	19,150.66
Indian Subsidiaries								
Direct Subsidiaries								
Adonis Vyaper Private Limited	0.13%	168.55	0.00%	(0.45)	0.00%	-	0.00%	(0.45)
Apnapan Viniyog Private Limited	0.13%	168.41	0.00%	(0.38)	0.00%	-	0.00%	(0.38)
Ara Suppliers Private Limited	0.13%	167.49	0.00%	(0.39)	0.00%	-	0.00%	(0.39)
Arham Sales Private Limited	0.13%	168.66	0.00%	(0.41)	0.00%	-	0.00%	(0.41)
Century Infotech Limited	0.00%	1.12	-0.04%	(8.01)	0.00%	-	-0.04%	(8.01)
Century MDF Limited	0.00%	1.74	0.00%	(0.27)	0.00%	-	0.00%	(0.27)
Auro Sundram Ply & Door Pvt. Ltd.	1.97%	2,492.79	-0.31%	(58.59)	-4.68%	28.09	-0.16%	(30.50)
Century Panels Ltd	0.00%	5.00	0.00%	-	-	-	0.00%	-
Foreign Subsidiaries								
Direct Subsidiaries								
Centuryply Myanmar Pvt. Ltd.	3.98%	5,040.42	-0.95%	(182.32)	43.02%	(258.35)	-2.38%	(440.67)
Century Ply (Singapore) Pte Ltd.	1.70%	2,156.38	2.09%	400.44	51.85%	(311.41)	0.48%	89.03
Century Gabon SUARL	1.33%	1,684.65	-1.22%	(234.26)	-1.81%	10.90	-1.20%	(223.36)
Non-Controlling Interest	0.09%	120.38	0.13%	24.90	2.32%	(13.96)	0.06%	10.94
Total	**100.00%**	**1,26,740.23**	**100.00%**	**19,146.74**	**100.00%**	**(600.56)**	**100.00%**	**18,546.18**

*Net of consolidation eliminations / adjustments

48. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2021

49. The Company's subsidiary Century Ply (Singapore) PTE. Ltd. (CSPL) had made an aggregate investment of US$ 328,644 (INR ₹241.55 lacs) in two of its subsidiaries in Laos. Further, as on 31st March, 2021, it has an outstanding advance of US$ 4,860,233 (INR ₹3,572.27 Lacs) given to the two subsidiaries for purchase of trading goods. The subsidiaries have incurred losses and are in capital deficiency as per the last audited financial statement for the year ended 31st March, 2021. These subsidiaries of CSPL were mainly engaged in operations to supply veneer and plywood but had to cease operations as the local laws banned export of veneer.

However, currently negotiations are on with a local operator to restart the operations in both the subsidiaries but the same has got delayed due to the present Covid-19 pandemic. Further, Independent valuation of the assets has been obtained which indicates that the realisable values of these assets are higher than their book value. Management is confident that the operations can restart once the covid-19 pandemic in under control. Thus the management is of the view that there is no further impairment loss on the carrying value of the investment in subsidiary.

50. Charity and Donations includes ₹553.81 Lacs (₹50.51 Lacs) paid to the political parties

51. Previous year's figures have been rearranged and/or regrouped, wherever necessary.

52. The financial statements have been approved by the Audit Committee at its meeting held on 10th June, 2021 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: 10th of June, 2021

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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