

BUILDING BLOCK



DURO[®]

Duroply Industries Limited | Annual Report 2023-24

CONTENTS

PART 1: What we are and what we do

- 03 5 principal messages of this Annual Report
- 04 Corporate snapshot
- 08 The Company's portfolio
- 10 Our multi-decade journey
- 12 How we have performed across the years

PART 2: How we created a robust building block in FY 23-24

- 16 The big picture at Duroply

PART 3: The Managements' perspective

- 19 Duroply's building block
- 22 Managing Director's review

PART 4: A question of answers

- 27 At the end of the financial year, the company infused net worth following the issuance of equity shares and warrants on a preferential basis. How will this net worth infusion be allocated ? What attracted these new investors?
- 29 Does the management have a structured plan to transform one-off profitability into medium-term or long-term sustainability?
- 31 What is that one distinctive shift in the company's approach with the objective to enhance profitability?
- 33 How did the company's brands perform in FY 23-24?
- 35 How is the company emerging younger in mindset, method and means?
- 37 What is the one feature of the company's FY 23-24 performance that shareholders are likely to miss?
- 39 How is the company responding to the Great India Consumption Story ?
- 41 Why is the company optimistic about its sector and business?

PART 5: Our commitment to governance and value creation

- 43 Environment, Social and Governance (ESG)
- 45 How we intend to enhance shareholder value
- 46 Our operations team at Duroply

Statutory Report

- 47 Notice
- 59 Directors' Report to the Members
- 66 Annual Report on CSR activities
- 70 Management Discussion and Analysis
- 76 Particulars of Remuneration
- 78 Remuneration Policy
- 80 Report on Corporate Governance
- 97 Secretarial Audit Report

Financial Statements

- 101 Independent Auditor's Report
- 111 Balance Sheet
- 116 Notes to Accounts



Duroply stands at the cusp of unprecedented growth, redefining its business and embracing the future with vigour.

The Company's profit turnaround and market expansion highlight a commitment to innovation and resilience.

The Company recapitalised its Balance Sheet, infused net worth and strengthened liquidity.

These initiatives are expected to do for the Company more than merely provide additional resources.

They are expected to create a building block that could make all growth sustainable from this point onwards.

Enhancing value for all stakeholders.

Part 1

WHAT WE ARE AND WHAT WE DO



Our personality

Duro is not just an enduring plywood brand in India.

By the virtue of initiatives undertaken in the last few years, it has emerged as one of the most exciting as well.

During the last few years, the brand has invested with a structured approach to enhance visibility and stakeholder trust.

These initiatives are expected to deepen the brand's enduring recall: trust, product integrity and responsive service.

THIS IS WHERE WE COME FROM



Our purpose: To ensure every home in India has durable woodwork

Our vision: To be the most admired wood-based company through innovation and excellence in customer service.

Our mission: We aim to continuously invest in technology and in human resources to bring innovative and sustainable products to our clients, rapidly grow our market share, create profitable growth in harmony and at the same time play a bigger role in environmental sustainability and social responsibility.

Our promise: Duro uses the best raw materials sourced from across the world. All our products are sustainable and promote healthy living.

Our commitment: We do not use raw materials sourced from:

- Forests subject to unlawful logging practices
- Forested in breach of customary or civil rights
- Forests where conservation values are threatened by the management's activities.
- Forests that are being converted to crops or other non-forest uses.
- Forests that have been planted with genetically engineered plants

Our conformance: We manufacture products aligned around evolving national and international regulatory benchmarks.

- Low formaldehyde emission products conforming to E0 and E1 emission norms
- ISO 9001, ISO 14001, OHSAS 18001 certified company
- FSC-certified
- Member of Indian Green Building Council



OUR HISTORY

Duroply Industries Limited was established as Sarda Plywood Industries Pvt. Ltd. in 1957 (underwent a name change in December 2018), it initiated operations in tea chest manufacturing in Jeypore, Assam. It commissioned a manufacturing facility in Rajkot in 1999. The Company sustained its focus on tea processing and plywood manufacture until 2021. A strategic decision was made to divest the tea business through a slump sale, with the management selecting to concentrate on the plywood business.

OUR GOVERNANCE

Mr. Akhilesh Chitlangia was appointed Managing Director and Chief Executive Officer from April 01, 2024 onwards. With a professional tenure exceeding 14 years, he benefits from the guidance of Mr. Sudeep Chitlangia, Chairman, who brings more than 36 years of experience to the business. The oversight of the manufacturing function is with Mr. Abhishek Chitlangia, who brings an experience of more than 8 years to the business.

OUR SUPERIOR QUALITY

The Company manufactures plywood from premium timbers sourced from global forests. Rigorous testing is conducted, evaluating the timbers across high physic-mechanical standards for strength, stiffness, appearance and load bearing capacity. The plywood manufactured by the Company undergoes chemical treatment to enhance durability and pest (termites and borers) resistance.

OUR TALENT

As of March 31, 2024, the Company comprised a talent of 538 individuals, averaging 38 years of age. The employees are skilled in sales, branding, marketing, manufacturing, finance, legal, distribution, product development and human resource management, among others.

OUR DISTRIBUTION NETWORK

The Company's products are marketed through a 4000+ network of retail outlets, supported by nationwide dealers and distributors.

OUR DURO EXPERIENCE CENTER

The Duro Experience Center, spanning 2000 sq. ft, in the National Capital Region offers customers a first-hand experience of plywood and other products. It caters to architects, interior designers, and specifiers, showcasing a range of plywood, blockboards, veneers, and doors. In 2023, Duroply launched an Experience Center in Rajkot, transforming the purchase experience of veneers, doors, blockboards, and plywood.

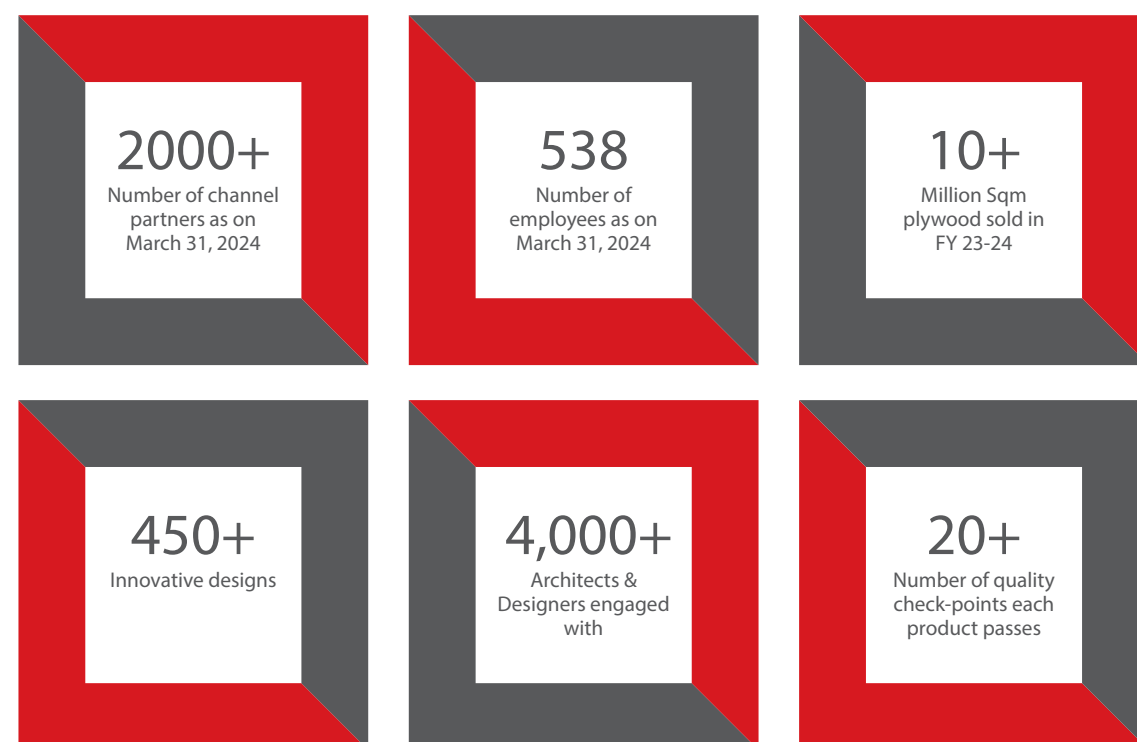
OUR LISTING

The Company is listed on BSE Limited and enjoyed a market capitalisation of ₹254.85 Crore as on March 31, 2024.

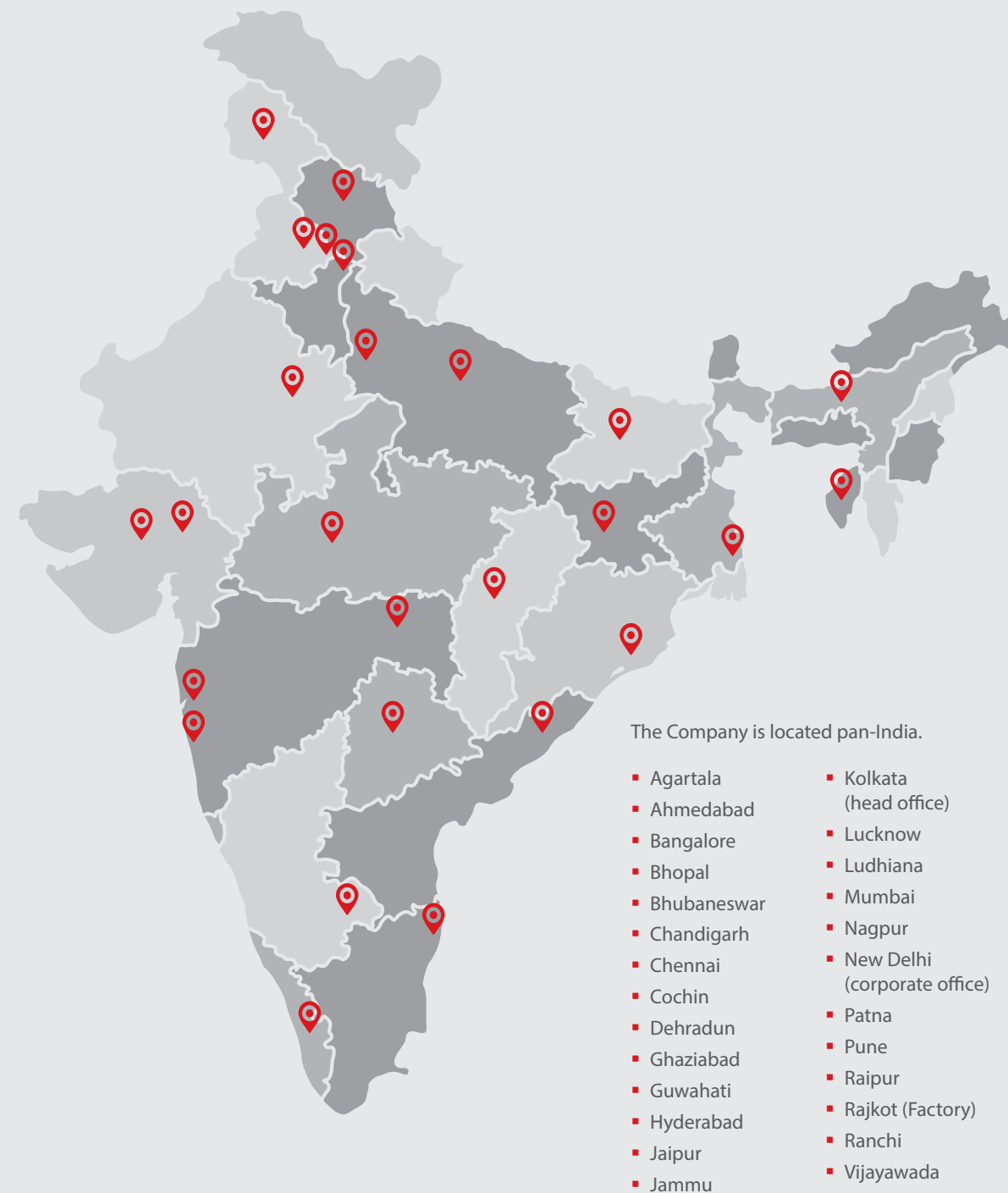
CREDIT RATING

The Company maintains a CARE BB/ Stable long-term credit rating and a CARE A4 short-term credit rating. The ratings reflect the interplay of experienced promoters, strong operational history, enduring brand, broadbased geographic presence and distribution network.

Big numbers



THIS IS WHERE DURO IS PRESENT ACROSS INDIA



OUR COMPANY'S PORTFOLIO

DURO ADVANTAGE

Duroply has clubbed together 9 features sought by customers and launched under brand name “DURO ADVANTAGE”

Superior Calibration	PFS Super Bonded	Termite Proof	QR Based Fraud Protection	Low Formaldehyde Emission
Five Heat Treatment	Duro Advanced Fireshield Technology	72 Hours BWP Grade	Super Log Criterion	

Our company provides a large variety of interior infrastructure products



PREMIUM PLYWOOD AND BLOCKBOARD RANGE (WITH A LIFETIME GUARANTEE)



SPECIALTY PLYWOOD RANGE



POPULAR PLYWOOD RANGE



DECORATIVE VENEERS



FLUSH DOORS



OUR MULTI-DECADE

JOURNEY

1957

The Company was established under the name of Sarda Plywood Industries Private Limited.

1976

Obtained ISI certification.

1999

Commenced operations in Rajkot, Gujarat.

2017

Inaugurated the Duro Exclusive Experience Centre in New Delhi

2023

Launch of Duro Beyond Blueprints podcast, an initiative to uncover the hidden gems of Architecture & Design.

1964

Commenced commercial plywood production

1986

Listed on the BSE as a public limited company.

2012

Consolidated environmental credentials by obtaining FSC (licence code FSC-C108194) and E1 certifications.

2018

Renamed as Duroply Industries Limited.

2024

Introduced Duro Advantage – 9 layers of protection across its premium brands as a unique proposition for discerning customers wanting the best.

1969

Venturing into door manufacturing, the Company introduced the 'Durobord' and 'DuroDoor' brands.

1987

Launched Duro Pumaply, a premium all-weather plywood.

2013

Pioneered the production and marketing of plywood made from European Beech.

2021

Introduced 9 inch and 10 inch plywood varieties block boards and doors under the Duro Plus brand.

1974

Acknowledged as a public limited company, the business introduced a new product line named DuroTeak (decorative plywood).

1994

The Company entered the veneer market with Duro Nature's Signature brand

2016

First company to introduce a lifetime guarantee from insect infestation for its premium products.

2022

Raised growth capital of ₹28.03 Crore through the preferential allotment of equity shares and warrants.

HOW WE HAVE PERFORMED ACROSS THE YEARS

REVENUES (₹ in Crore)



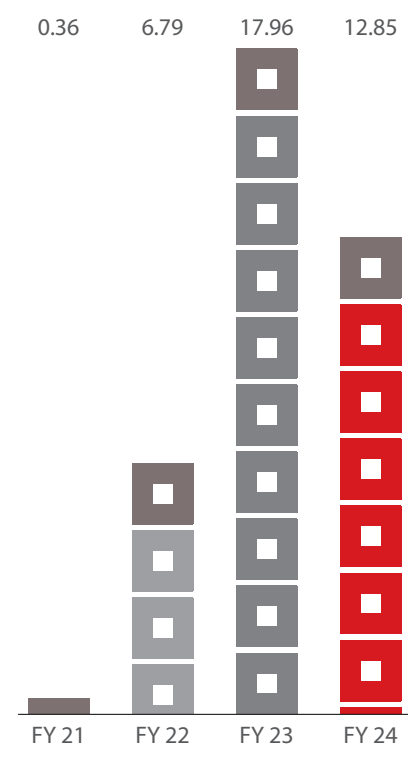
Definition
Growth in revenue net of taxes

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

What this means
Helps enhance incomes that, in turn, makes it possible to amortise or pay for expenses.

Value impact
Aggregate revenues increased by 6.73% to ₹323.42 Crore in FY 23-24.

EBITDA (₹ in Crore)



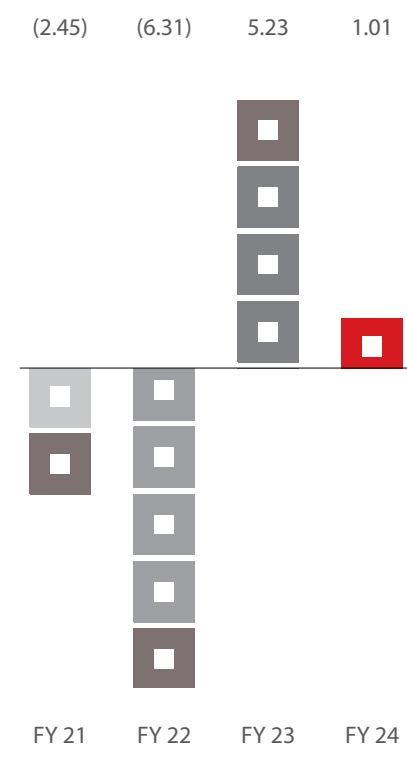
Definition
Earnings before the deduction of interest, depreciation, extraordinary items and tax

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

What this means
Helps create a robust growth surplus-generating engine that enhances reinvestment and debt servicing capability

Value impact
The Company reported a decline in EBITDA in FY 23-24 due to an increase in raw material costs

NET PROFIT (₹ in Crore)



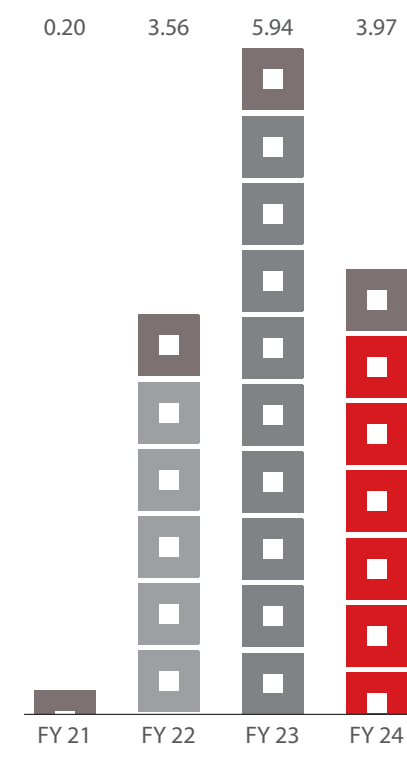
Definition
Profit earned during the year after deducting all expenses and provisions

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

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

Value impact
The net profit declined on account of higher raw material costs.

EBITDA MARGIN (%)



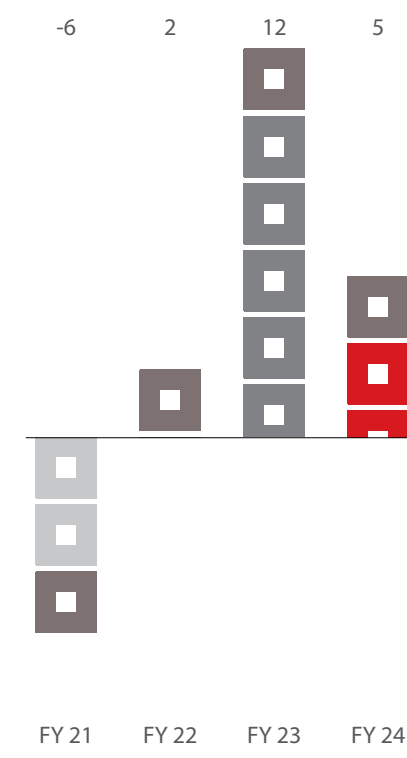
Definition
EBITDA margin is a profitability measure to ascertain a company's operating efficiency

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

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

Value impact
The Company reported a 197 bps decrease in EBITDA margin to 3.97% in FY 23-24 on account of higher raw material costs.

ROCE (%)



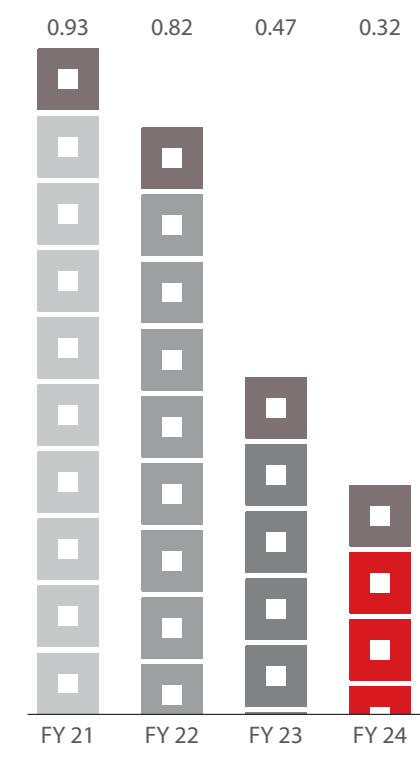
Definition
This is a financial ratio that measures efficiency with which capital is employed in the Company's business

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

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

Value impact
The Company reported a 700 bps decrease in RoCE in FY 23-24.

GEARING (x)



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 health, indicating the ability of the Company to remunerate shareholders over debt providers (the lower the gearing the better)

What does it mean?
Adds value in the hands of the shareholders by strengthening the equity side

Value impact
The Company's gearing improved from 0.47 to 0.32 following increased net worth.

Part 2

HOW WE CREATED A ROBUST BUILDING BLOCK IN FY 23-24

There were
two options at
our company
in FY 23-24



One, wait for realities
to improve in India's
plywood sector.
Two, move ahead of the
industry curve.

To redefine our
business
To be ready for the
future

We
decided...



The big picture at Duroply

We stand at the cusp of a seminal change in our fortunes

We expect to emerge as the fastest growing Indian plywood company

We possess a strategic clarity on how to take our business into the next orbit

We possess intangible competencies of experience, brand and relationships

We possess a young management leadership team with a growth appetite

A quick recap of what we achieved in the last few years

We turned the Company around from loss to profit

We evolved from an asset-heavy to asset-light model

We grew a second brand for the price-sensitive market segment

We protected our share in the markets of our presence

We widened and deepened our distribution network

The last puzzle piece that we addressed in FY 23-24

We recognised that a restructured organisation now needed a recapitalised Balance Sheet

We felt that with our intent in place, what we now needed was timely capital infusion

The Company attracted new long-term investors in FY 23-24

The new investors contributed ₹43.90 Crore to the Company's net worth in FY 23-24

This rebalanced the debt-equity ratio from 0.43 to 0.32.

Why the net worth infusion of FY 23-24 represents a seminal point in our existence

It completes our three-year strategic business plan

It will strengthen working capital flows

It provides all-round growth visibility and scalability

It will empower the Company to grow using shareholder funds (over borrowings)

It is expected to enhance volume (revenues) and value (margins)

How this net worth infusion represents the start of a virtuous cycle

It will transform a working capital-stretched company towards enhanced liquidity

It will empower the Company to negotiate effectively for materials

It will help the Company invest in the brand, protecting realisations

It will empower the Company to optimise costs and widen margins

It will generate a growing surplus for reinvestment

This is our vision at Duroply

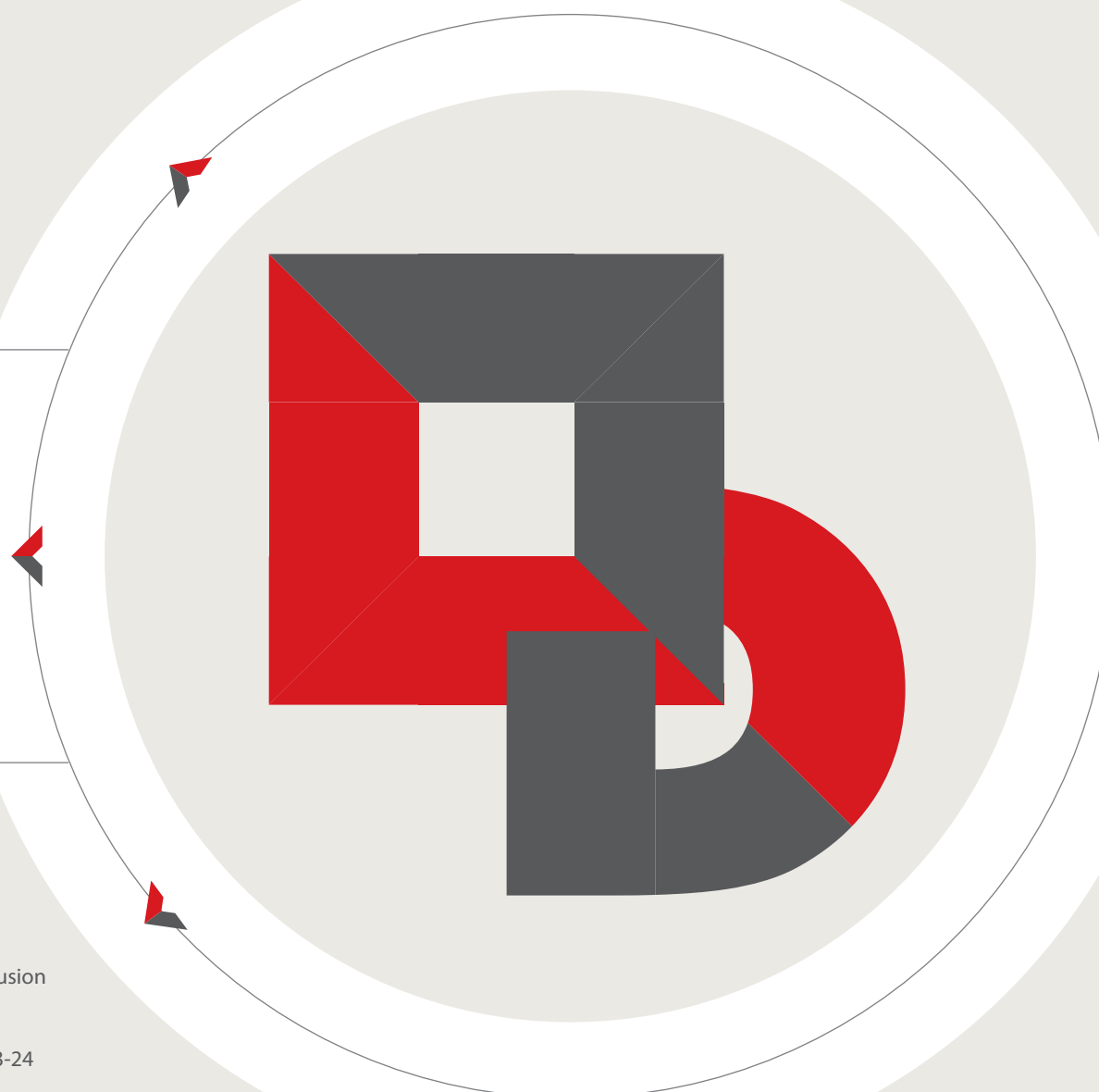
Provide quality wood-based solutions that are truly sustainable

Demonstrate excellence in customer service

Sustain continuous innovation and product delivery efficiency

Enhanced value for all stakeholders

Play a significant role in India's infrastructure needs



Part 3

THE MANAGEMENT'S PERSPECTIVES

DUROPLY'S BUILDING BLOCK



Youthfulness

Integration of younger senior leaders to inject vitality into the organisation's dynamics.



Digitalisation

Implementation of digital tools to enhance engagement with customers and trade partners



Automation

Enhanced manufacturing automation to streamline processes reducing quality rework and associated expenses



Brand investment

Increased brand investment aimed at strengthening Duroply's brand visibility and recognition



Marketing orientation

Transition from a legacy manufacturing approach to a market-facing product outsourcing strategy



Capacity debottlenecking

Investment in capacity debottlenecking to enhance production capacity



Distribution broadbasing

Broadbasing the dealer network and implementing structured programs to optimise sales outcomes



Geographic de-risking

Exploration of markets beyond North India to broaden geographic presence



Enhanced voice share

Increased investment in radio, YouTube and podcasts to enhance brand recall



Mid-priced segment

Venturing into the rapidly growing mid-priced plywood segment to capitalise on emerging market trends



Building two brands

Deepening an investment in Duro and Tower brands to address diverse consumer segments



Protecting trade discipline

Prioritising on timely cash inflows from trade associates, protecting cash flows



Net worth infusion:

Optimising the Balance Sheet to enhance net worth and raise internal capital for growth

DUROPLY'S BUILDING BLOCK

WHY
ARCHITECTS,
DESIGNERS
AND TRADE
PARTNERS
**TRUST OUR
BRANDS**



Why architects and designers recommend us



Complete transparency
Duroply believes in transparency and honours its commitments, marked by an openness to business.



Extensive product range
Duroply offers the most comprehensive selection of innovative plywood, blockboards, doors and veneers, enhancing design possibilities.



Seamless execution
Duroply's skilled team ensures hassle-free execution, consistently delivering value that exceeds client expectations.



Deep knowledge
With over 60 years of experience in serving customers, Duroply possesses distinctive plywood industry knowledge.

Growth opportunity for trade partners



Unparalleled potential
A thriving market seeks high-performance plywood. Duro products enables trade partners to address this demand, increasing sales.



Lucrative returns
The business model guarantees dealers a substantial return on investment, in the short and long-term.



Comprehensive support team
Duro ensures continuous trade support, offering top-tier technical and marketing assistance to trade partners.



Specialised training
Dealers receive exclusive training, conducted by industry experts, virtually and in person, facilitating seamless sales and growth.

MANAGING DIRECTOR'S REVIEW



THE COMPANY IS POISED TO COVER LOST GROUND WITH SPEED CATALYSED BY THE RECENT STRENGTHENING OF ITS BALANCE SHEET THROUGH EQUITY INFUSION

OVERVIEW

The big message that I must provide to shareholders in my maiden address as Managing Director is that after decades of being in business, the Company stands at an inflection point of climbing into the next orbit. This may not be easily visible by looking solely at our financials of the last financial year. The Company undertook multiple initiatives during this period and all these initiatives are likely to generate a collective outcome towards building a stronger company.

It would be necessary to provide shareholders with a perspective of the landscape of our sector for them to appreciate the vast growth headroom within for a brand like ours. The Indian plywood sector is valued at around ₹222.3 Billion; our company accounted for a mere 1.45% of the sector during the year under review. During the last few years, we have consistently indicated that even if we were to raise our share of the organised market by a nominal 100 bps – a significant achievement if this were to

come about in a few years – it would still leave us with a considerable headroom for sustainable growth.

At Duroply, we strengthened our credentials to address this vast and growing headroom during the last couple of years. The Company went through a senior management shuffle, there was a greater focus on brand building, the Company rebalanced its personality from complete manufacture to progressive asset-light outsourcing and there was a deeper penetration across the markets of focus. More importantly, the Company mobilised growth capital in the first phase of its transformation to accelerate business growth.

This increase in revenue and swing back in the bottomline sent out a message that the Company had overcome the challenges of the past and was poised to embark on a sustainable growth journey.

The performance of the last financial year was relatively muted with the

growth story. Company. This performance represents a setback and an interruption in our growth journey; however, our management moved with speed during the year to address multiple inherent challenges which now provides us with the foundation for a multi-year growth journey.

The principal reason for the relative under-performance during the last financial year was an inadequately capitalised Balance Sheet. The ₹28 Crore that had been mobilised was suitably allocated towards working capital, capacity debottlenecking and asset modernisation. This strengthened performance quality over the last couple of years but once the headroom had been consumed using the financial ammunition at our disposal, our growth began to plateau as was evident during the last financial year.

The management at Duroply recognised that with mostly all the pieces falling into place, the only big piece waiting to be inserted was that of financial liquidity. The Company needed a second round of funding that would provide adequate growth capital to graduate the Company into the next level. This recognition was underscored by the fact that the Duro and Tower brands performed creditably (explained later in the report), the Company accounted for visible and leading market shares in prominent national markets, the distribution partners remained loyal and generated increased offtake. Virtually everything that we had planned was in place except for the financial gunpowder to create a strong building block.

Your company addressed this challenge at two levels during the last financial year. The Company made a private placement of equity shares at ₹203 per share to long-term investors who share

our vision; this translated into an equity dilution of 7.46%, which shall moderate the promoters' stake from 62.47% to 55.01%. When consolidated, these initiatives indicate that the Company will be able to fund raw material purchases in a bigger way to grow revenues attractively year-on-year, enhance margins by 400 bps over time, suitably utilise the enhanced cash flows to reinvest and build superior stakeholder value. We believe that this approach – mobilisation, prudent deployment, resource cost moderation, cash flow reinvestment and superior value creation – represents a responsible approach to long-term business sustainability.

At Duroply, we are increasingly convinced that a robust Balance Sheet – marked by prudent borrowing, lower cost of staying in business and a business largely driven by its kinetic momentum – will be the asset that makes all the other freedoms and achievements a reality. Your management is seized of this priority and everything that we seek to achieve (as explained in the later pages of this report) will be directed to enhancing our overall liquidity.

The Company is poised to grow rapidly, improve its profit margins, generate better returns to stakeholders, and more importantly, play a larger part in India's infrastructure growth story.

The future is bright and we are prepared.

Akhilesh Chitlangia

Managing Director and Chief Executive Officer



I can assure shareholders that the future is bright with the Company poised to grow rapidly, improve its profit margins, bring better returns to all stakeholders, and more importantly, play a large part in India's infrastructure



Part 4

A QUESTION OF ANSWERS

A sequence of answers
to all the questions that
stakeholders would
have liked to ask the
management on its
performance and prospects



Question 1

Q: At the end of the financial year, the Company infused net worth following the issuance of equity shares and warrants on a preferential basis. How will this net worth infusion be allocated ? What attracted these new investors?

A: The Company has a structured approach to how it intends to deploy this net worth.

The principal allocation of this ₹43.90 Crore mobilisation will be in the Company's working capital. This will enable better procurement terms and headroom for substantial revenue growth leading to higher margins following a better amortisation of our fixed costs.

The deployment of additional resources in capital management is expected to transform the Company's financials. This priority could kickstart a virtuous cycle: a larger proportion of resources available for working capital management would be available from our earnings (hence zero cost), enhancing our cash flow sustainability.

The new set of investors, they were impressed by the following credentials.

One, there was a familiarity with the management since Duroply is a 68-year company. This validated the fact that the Company is not fly-by-night and that, coming with this extended endurance, it possesses the capacity to withstand market cycles.

Two, the investors brought into the overall scope of the sector. India consumes less than 10% of the plywood consumed in China while India accounts for a higher population. This indicates an extensive under-consumption of wood panels in India. The investors feel that India is at the cusp of a long-term growth curve, translating into increased home ownership and home financing, which should translate into a larger substrate consumption.

Three, the investors factored the vast headroom available for the Company. They felt that there was a vast mismatch between the strength of our brands (Duro and Tower) and our revenues. They felt that the biggest asset of the Company – its brands – could easily shoulder a larger sales throughput.

Four, during the last three years, the management had achieved what most felt was difficult – turned the Company around from loss to profit. Investors realised that the hump had been overcome and it was now only a question of scaling the business, which their capital infusion would facilitate.

Big numbers

6.10

Working capital turns, FY 23-24

11.36

Working capital turns, FY 22-23

How we intend to transform our working capital management

Cash mobilisation to be allocated towards superior working capital management



Pay resource vendors selectively upfront



Capitalise on attractive resource arbitrage opportunities



Shrink the creditors' cycle and attract vendor loyalty



Enhance the availability of competitively priced raw material



Enhance volume and margins



Question 2

Q: Does the management have a structured plan to transform one-off profitability into medium-term or long-term sustainability?

A: Yes. At the heart of this structured approach lies a recognition that cash be treated as a critical resource for a growing company like Duroply. Just as a company will nurse a reasonable inventory of raw material, there is now an urgent requirement to build a cash corpus that lubricates the system and services the immediate needs of all stakeholders.

The Company launched a significant initiative towards the later part of the last financial year when it mobilised ₹43.90 Crore through an issue of preferential Equity shares and convertible warrants at a price of ₹203 each. We believe that this inflow will provide the Company with the necessary capital to build the business for the next round of growth.

This corpus will enhance our liquidity, attract vendors, make it possible to retain talent, invest in brand visibility and assure trade partners that we will supply on-time and in-full.

We foresee that starting from the current financial year, the Company will buy raw materials at a lower cost in exchange for timely remuneration, produce/ outsource a larger quantity of finished products, service dealers with enhanced predictability, sell more and faster by capitalising on the strength of its brands and reinvest the surplus into the business, accelerating the virtuous cycle.

We believe that with the infusion of net worth, the last gap has been plugged and we have created the foundation to grow our company for the next five years. We see all the growth generated from this point cascading to enhanced shareholder value.

The Company's prospects were validated by the patient long-term capital brought in by the new shareholders, helping right-size the Balance Sheet and making the Company growth-ready from FY 24-25 onwards.

Big numbers

43.90

₹ Crore, capital infusion in FY 23-24

25

% of net worth addition to the total capital employed in the business

30

% of net worth addition to the total net worth employed in the business

How we foresee the net worth infusion transforming the Company

Net worth infusion



Net worth right-sized around a 5-year business plan



Adequate coverage of stakeholder interests



Focus on extracting superior economies across every business function



Aggregated economies to enhance revenues and margins



Question 3

Q: What is that one distinctive shift in the Company's approach with the objective to enhance profitability?

A: One of the decisive calls that we took during the last financial year was to increasingly outsource the manufacture of plywood grades. We have begun doing so across vendors with under-utilised capacities in the geographies of our presence. This is helping both parties: enhanced tolling revenues for our suppliers and a better leverage of our brands.

The management must assure stakeholders of the responsible nature of the arrangement. The Company outsources manufacturing only to those vendors who are within the country's organised system, pay their taxes, comply with responsible manufacturing guidelines and follow quality practices. The Company deepened its relationships with these suppliers during the last financial year, where they operated virtually as an extension of the Company's manufacturing premises.

Going ahead, these responsible outsourcing arrangements will be increased. The proportion of revenues derived from outsourced manufacture

will increase. The Return on Gross Block is likely to rise. The Company will possess the flexibility to supply material to different demand points from our dispersed manufacturing locations, moderating logistic costs on the one hand and shrinking time-to-market on the other.

This arrangement enjoys a large headroom: the plywood industry is saddled with excess manufacturing capacity. This is likely to translate into attractive tolling or manufacturing capacity leasing rates, benefiting growth hungry companies like ours. Besides, such arrangements are likely to moderate our capital spending and shift the needle of our investments towards superior working capital management.

The increased proportion of our revenues being derived from responsible outsourcing is likely to strengthen our revenues, fill retail shelves faster, strengthen our service orientation, enhance our market responsiveness and widen our margins.

Big numbers

28.74

% of revenues derived from outsourced manufacturing arrangements, FY 22-23

39.29

% of revenues derived from outsourced manufacturing arrangements, FY 23-24

How responsible outsourcing can transform the Company's financials

Reduce the Company's fixed asset investments



Enhance flexibility to source from vendors who provide superior value



Empower the Company to select vendors from regions of growing demand



Transfer costs from the Balance Sheet to the Profit & Loss Account



Liberate funds to be deployed in superior working capital management



Question

4

Q: How did the Company's brands perform in FY 23-24?

A: The big message that we seek to send out is that despite a lower than expected growth during the last financial year, the health of our brands continued to be protected and the muted growth was not due to a weakness in our brands but simply a shortage of growth capital. We are increasingly convinced that our brand strategy continues to be strong and leads our recall across the markets of our presence and waiting for the financial gap to be plugged.

These are some of the strengths of our brand strategy: one, our flagship brand Duro carries the recall of the decades, marked by credibility, longevity and product quality; two, our brand approach comprises two brands – Duro and Tower – addressing different plywood price ranges and customer sets (horses for courses); three, our brands do not need intensive investment and the return on brand spending has been attractive. The result is that our brand spending effectiveness – every rupee of revenue derived from every rupee of brand investment – remained attractive during the year under review.

Our Duro brand sustained its presence across the premium and super-premium consumer segments, which otherwise was affected by the sluggishness in the national plywood space during the last financial year. Our Tower brand proved to be an outperformer: the proportion of our total revenues derived from Tower increased from 14.8% to 19.4% in

FY 23-24. Tower sales increased 40.6% in FY 23-24.

Tower addressed the entry-level consumer. This segment has been among the fastest growing within the country's plywood space in the last few years, largely because unorganised players have reduced their exposure to this segment and this space is now being occupied by organised branded players like Duro. The growth of this segment was catalysed by a growth in personal incomes, widened home financing network and sustained government incentives for affordable housing.

The management foresight related to the twin-brand approach protected recall clarity, salience and prevented cannibalisation. Besides, this segregation made it possible for the creation of dedicated teams with respective brand spending budgets, enhancing accountability.

A significant portion of the Company's brand building was allocated to influencer incentives and engagements, in-store and out-of-store branding, enhancing trade visibility, and digital marketing.

Going ahead, we expect Tower's growth to be sustained on account of a structural shift within the mid-priced plywood segment, coupled with channel partner network expansion, graduating the brand from the regional to the zonal.

What makes Duro distinctive across the counter

Guarantee from insect infestation, ranging from 10 years to lifetimes

3x Money Back Promise across the product range

India's first company to market 10 feet plywood length, boards and doors

Triple Heat Treatment in manufacture, enhancing product superiority

QR code-based unique identification to prevent fraud

How we strengthened our brands

Introduced different brands for different product categories

Emphasised a superior value proposition

Deepened recall around quality, price and longevity

Matched competing products, feature to feature

Sustained brand spending

Capitalised on Tower brand's in roads

Big numbers

13.91

₹ Crore, brand spending in FY 23-24

12.46

₹ Crore, brand spending in FY 22-23

19.4

% of revenues derived from Tower, FY 23-24

14.8

% of revenues derived from Tower, FY 22-23

40.6

% growth from the Tower brand, FY 23-24

534

% growth from the Tower brand, FY 22-23



Question 5

Q: How is the Company emerging younger in mindset, method and means?

A: The Company recognises that the winning brands in a competitive world are inevitably those that are nimble, young and responsive.

During the last few years, the Company introduced a range of initiatives to enhance youthfulness.

The Company enhanced its presence on the social media through Duro TV on YouTube and a smart plywood buying guidebook.

The Company widened its product portfolio to customised solutions for premium furniture manufacturers.

The Company introduced the Bohemia textured veneer panels collection, comprising five diverse textures and over 35 unique products. Hi-Res Veneers from

Duro Nature's Signature offer a 3D touch and feel, extending the real essence of wood to interiors.

The Company's Duro Advantage premium product provides value to discerning home buyers who are not willing to compromise.

Duro Beyond Blueprints addresses the design innovation needs of architects and designers.

These initiatives have translated into a distinctive traction for the Company's products, which should start translating to the topline and bottomline following enhanced working capital availability.

Our quality assurances and certifications

Lifetime guarantee: We provide a Lifetime Product Guarantee against infestation with a 3x money back assurance.

FSC certification: Our timber is FSC-certified, indicating that it is sourced sustainably from forests with no deforestation. We engage with local officers to ensure the regrowth of trees and minimise long-term environment damage.

IGBC membership: We are members of the Indian Green Building Council (IGBC), that promotes green construction in India. Plywood is the most forest-sustainable and environmentally friendly resource; we discourage the use of environmentally harmful and non-renewable teak wood.

EO certification: We were among the first few branded companies to offer EO certification or CARB certification. We produce EO products with zero harmful chemicals, protecting consumer health.

Other initiatives: Plywood is twice more efficient than raw timber, maximising utilisation and reducing timber wastage. We obtain twice the yield from the same timber compared to raw timber.

We regenerate timber to balance environmental protection and business needs.

How we have enhanced youthfulness at our company

The Company reviewed all practices in the last few years



The Company invested in progressive digitalisation



There has been a greater respect for data-based decision making



The enhanced youthfulness has attracted a new



Question 6

Q: What is the one feature of the Company’s FY 23-24 performance that shareholders are likely to miss?

A: The outperformance of our Tower brand is one feature that enhanced the respectability of our published numbers of FY 23-24.

Following the introduction of GST some years ago, there was a growing feeling that the shadow economy would yield ground to the organised sector. The reason: the lower tax structure would enhance the competitiveness of the organised players when compared with the unorganised players who paid no tax at all. Even though the unorganised cost structure would have been lower, there was a growing recognition that there would be a lower maneuvering room for them in a tightening tax environment.

This is precisely what has transpired in the last few years. As the differential between the organised and unorganised players declined, there was a growing consumer recognition that the price-value proposition had shifted. It was now no longer prudent to buy the cheapest product because with only a reasonable increase in price the consumer could

graduate to a branded product backed by additional features and warranties.

During the last few years, this theory began to translate into reality. The affordable housing finance segment of the country grew following the government’s interest subvention scheme. This catalysed the offtake of plywood as the principal substrate product. The result is that the entry-level plywood segment has grown faster in percentage terms than any other segment.

This transformation has influenced the revenue mix of the Company as well. The Tower brand of the Company – addresses the lower end segment – outperformed the percentage growth of the value-added Duro brand during the year under review. Tower offtake jumped 40.6%. For a brand that was re-launched a few years ago, Tower has grown from scratch and is expected to report a significantly improved turnover in the current year and emerge as, a sizable revenue driver in five years.



Question 7

Q: How is the Company responding to the Great India Consumption Story?

A: The decisive step in Duroply's response to the Great Indian Consumption Story is a recognition that what worked in the past would not work in the future. In view of this, the Company embarked on holistic transformation, addressing virtually every segment of its personality.

One, the Company reinvented itself as a youthful player in India's plywood industry, reflected in its brand positioning, promotion and product profile.

Two, the Company restructured the promoter management with the introduction of the younger generation.

Three, the Company leveraged modern media (social) to reach prospective purchase influencers.

Four, the Company is widening its presence beyond its traditional North India stronghold to capitalise on evolving consumer and geographic segments.

Five, the Company enhanced brand investments – physical and digital - as a driver of prospective offtake, creating a multiplier effect.

Six, the Company is transitioning from a manufacturing-driven approach to a manufacturing cum outsourcing strategy, enhancing business scalability that will make it possible to service growing demand.

Seven, the Company commissioned Experience Centers in Delhi and Rajkot, transforming the consumer experience on the one hand and enhancing its brand contemporariness on the other.

Eight, the Company complemented its longstanding premium Duro brand with Tower that addressed the mid-priced segment, broadbasing its relevance from the entry point to the premium – a complete consumer journey. Besides, the choice cum availability of products across increased price points enhanced affordability and prospects of converting an enquiry into sale.

The enhanced youthfulness of the Company – the biggest transformation of the last few years – is expected to enhance consumer recall, product stocking, preferred purchase and a deepening of the eco-system, the basis of business sustainability.

Big numbers

80.6

% of revenues from the premium segment, FY 23-24

19.4

% of revenues from the mid-market segment, FY 23-24

How we have enhanced our relevance to the sweeping consumer change in India

The Company drew out a programme to reimagine its personality



This reimagination covers every aspect of the Company



This reimagination is enhancing the Company's youthfulness and responsiveness



These attributes are attracting a new generation of eco-system partners



This reinvention helped the Company mobilise precious growth capital in FY 23-24.



Question

8

Q: Why is the Company optimistic about its sector and business?

A: The Company is optimistic of its sector on account of the extensive headroom available for growth.

India's plywood manufacturing volume is one-twentieth of China. This gap is likely to decline as a number of countries seek wood panel supply chains away from China. Some of this demand could come to India coupled with foreign investment that could make India an exports hub in addition to addressing its rich domestic consumption potential.

There are other Indian advantages. India is land-abundant; India is the second largest agricultural economy, the world's seventh largest nation by land area and the fifth largest economy. Indian talent cost is considerably lower than in an inflationary China; automation has enhanced Indian productivity in the last few years; wood panel products are being imported.

From a directional perspective, the Indian government is supporting the growth of the wood panel sector, translating

into enhanced farm incomes at one level (timber plantation provides one of the most remunerative farm livelihoods) and addressing home building requirements at the other. Besides, enhanced plywood manufacturing capacity is expected to strengthen India's competitiveness and emergence as a dependable exporter. If India even catches up fractionally with China's capacity, the outcome could be a significant Indian multi-year plywood growth story.

Besides, the timber plantation segment will find increasing government support as a nascent tree enjoys high carbon sequestration and is considered positive for the environment.

The complement of these realities indicates that prospects of the resource and downstream wood panel sector remain optimistic into the long-term, benefiting serious long-term players like Duroply.

Plywood sitting on a favourable long-term Indian growth story

Fundamental to interiors construction



Economies of scale emerging across the value chain



Widening resource base on account of plantation economics



Rising long-term resource security



Entry of international furniture brands a market catalyst



Increased movement towards ready-to-buy furniture



Rising demand within India to create a consumer pull



Platform for exports and domestic consumption servicing

Part 5

OUR
COMMITMENT
TO
GOVERNANCE
AND VALUE-
CREATION

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG)

Our objective is to build a responsible, profitable and sustainable business

OVERVIEW

At Duroply, we are committed to aligning sustainability with responsibility and profitability. Our ESG approach encapsulates our dedication to conscious, ethical, and inclusive business practices.

E

S

G

Environmental focus: Businesses must prioritise sustainability by optimising resource use, recycling, reducing fossil fuel reliance, addressing climate risks, and minimising our carbon footprint.

Social commitment: Businesses need to invest in people, foster a positive organisational culture, nurture customer relationships, and fulfill our social responsibilities.

Governance guidelines: Businesses needs to prioritise responsible conduct, strategic clarity, ethical values, a balanced Board composition, and alignment with the United Nations Global Compact (UNGC).

ESG MATERIALITY ASSESSMENT

We periodically conduct ESG materiality assessments to prioritise issues crucial to our stakeholders, ensuring our ESG strategy evolves with global dynamics.

ENTERPRISE RISK MANAGEMENT

Our annual process covers ESG, strategic, financial, operational, legal, regulatory, human capital, and hazard risks, enabling effective risk management.

ESG STRATEGY

Our ESG strategy focuses on healthy living and community support, environmental stewardship, and responsible sourcing, creating value through socially responsible practices.



Our Environmental commitment

At Duroply, we emphasise reducing material and resource consumption, aligning with the UN's Sustainable Development Goals. Our initiatives include collaborating across development, manufacturing, and operations for environmental compliance

and strategy. We have implemented rigorous risk mitigation measures, ambitious targets, performance monitoring, and ongoing improvement. Our focus is on reducing freshwater consumption and actively managing water impacts. We uphold transparency

and accountability, with periodic sustainability reporting directed to the Board of Directors. We also practice responsible waste management through reuse, recycling, and repurposing.



Our Social commitment

At Duroply, we recognise the importance of relationships in driving our business, comprising the dedication of our employees and trusted vendors.

Employees: We nurture strong connections, investing in an operational culture that aligns with the highest sector standards. This includes enhancing workforce productivity, skill

development, role alignment, and talent safety.

Customers and vendors: Our stable vendor ecosystem, comprising suppliers of capital equipment, spare parts, and resources, ensures seamless operations. Longstanding partnerships with primary customers contribute to our revenues and enhance predictability.

Community engagement: Duroply engages with communities around its manufacturing facilities, promoting prosperity in alignment with the United Nations' Sustainable Development Goals. We maintain safe, sanitary, and healthy work environments, boosting employee productivity, morale, creditworthiness, and competitiveness

Employees

2,864.51

₹ Lakh, remuneration to employees in FY 22-23

3,220.93

₹ Lakh, remuneration to employees in FY 23-24

Customers

30,233.86

₹ Lakh, revenues from sales in FY 22-23

32,267.47

₹ Lakh, revenues from sales in FY 23-24

Vendors

20,453.64

₹ Lakh, procurement from vendors in FY 22-23

22,650.82

₹ Lakh, procurement from vendors in FY 23-24



Our governance commitment

In a rapidly changing world, Duroply champions governance, marked by a commitment to accountability, transparency and ethics.

Governance philosophy: Our meritocratic approach ensures compliance with SEBI regulations and legal requirements for Director selection, assessment, and remuneration, including diverse representation.

Performance and remuneration: Annual competence assessments uphold business standards, selecting Directors with varied backgrounds and skills. Transparent remuneration is aligned with performance.

Ethical practices and committees: Oversight committees manage audit, risk, and strategy, promoting ethical conduct. We maintain a zero-tolerance policy on bribery and corruption, supporting whistle-blower avenues and ongoing ethical education.

Code of Business Conduct: Upholding high ethical standards through our comprehensive Code of Business Conduct, with no violations reported.

Audit and accountability: Strengthening reporting reliability through periodic internal and external audits.

Strategic consistency: Emphasising predictability by refraining from speculative plywood purchases.

Brand investment and innovation: Increasing brand visibility, innovation, and agility to support market presence and consumer appeal.

Long-term perspective: Investing in sustainable growth, prioritising stability, stakeholder support, and plywood-focused brand identity.

Controlled expansion: Growing within financial capacity to ensure sustainable business expansion.

Data protection and privacy: Ensuring ISO 27001-certified data privacy and efficient IT management, with no recent complaints related to data or customer privacy breaches.

HOW WE INTEND TO ENHANCE SHAREHOLDER VALUE

Valuation

92.18

₹ Crore, market capitalisation, March 31, 2023

254.85

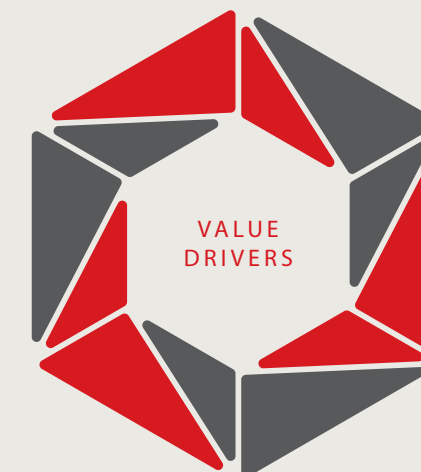
₹ Crore, market capitalisation, March 31, 2024

Brand

- Invested ₹13.91 Crore in the brand, FY 23-24
- Increased the proportion of brand spending in relation to revenues by 0.19 bps in FY 23-24
- Increased brand exposure; enhanced brand identity with a focus on innovation and reliability

Presence

- Broadbased the footprint beyond North India to encompass West / South and East India
- Strengthened regional coverage
- Plugged market white spaces
- Enhanced urban visibility



Astute Capital Management

- Net worth infusion of ₹43.90 Crore in FY 23-24
- Nominal promoter equity dilution
- Increased use of net worth in business growth
- Right-sized the Balance Sheet
- Committed to moderate debt and improve the interest cover

Manufacturing assets

- Investment in capacity debottlenecking and modernisation of the Rajkot plant
- Enhanced manufacturing capacity
- Implemented automation
- Maximised infrastructure utilisation

Marketing

- Transitioned from a manufacturing-centric approach to a marketing-driven strategy
- Optimised the product mix; focused on increased average realisation and capital efficiency
- Recruited professionals with backgrounds beyond the plywood industry
- Enhanced brand visibility

OUR OPERATIONS TEAM AT DUROPLY



Sudeep Chitlangia
Chairman

Mr. Sudeep Chitlangia has over 36 years of experience in the plywood industry. In 1993, he has been appointed as the Chairman. He is a wood material and operations expert with comprehensive expertise in incorporating new wood technologies and cutting-edge management practises such as the Theory of Constraints. He is an active member of the Kolkata Entrepreneur Organisation. Sudeep is currently a Committee Member for the Merchant Chamber of Commerce and Industry in Kolkata. He previously served on the board of the Indian Plywood Industries Research and Training Institute for two terms (IPIRTI).



Akhilesh Chitlangia
Managing Director and CEO

Mr. Akhilesh Chitlangia has worked in the plywood industry for over 14 years. He specialises in distribution expansion, operations management and the implementation of new initiatives. As Managing Director and CEO, Akhilesh is based in New Delhi and is in charge of the Company's day-to-day operations.

He has earned a Bachelor of Science in Business Administration and a Bachelor of Arts in Economics from Boston University in the United States.



Abhishek Chitlangia
President, Manufacturing

Mr. Abhishek Chitlangia has over 8 years of industry experience. He is currently in charge of DURO's production activities and has actively promoted lean and six sigma to improve quality and efficiency. He is a member of the NCCF Safeboards Standards Committee and the BIS Working Group on Plywood Standards.

Abhishek graduated from the University of Michigan Summa Cum laude with a dual degree in BSE Industrial and Operations Engineering and a BBA from the Ross School of Business. Prior to joining Duroply, he held various positions with Ventower Industries (Michigan, USA) and Bain & Company (Chicago, USA).



Pawan Kumar Verma
Chief Financial Officer

Mr Pawan Kumar Verma is a Bachelor of Commerce and a qualified member of the Institute of Chartered Accountants of India. He has been with our company for 15 years. He has overseen a diverse range of duties in finance and commercial, MIS, budgeting, working capital management, taxation, fund management, budgeting and allocation, book closure, statutory and internal audit, vendor management and statutory compliances.



Shashank Hissaria
Vice-President

Mr. Shashank Hissaria has been with our company for 35 years and has handled multiple positions of responsibility. He plays a key role in Supply Chain Management and the acquisition of high-quality raw materials. He is currently in charge of contract manufacturing and the sourcing of low-cost material for our Tower brand.



Dippaman Samanta
Sr. Vice President, Sales

Mr. Dippaman Samanta has done his Bachelors in Engineering (Mechanical) from Jabalpur and has over 30 years of experience in Diverse Industries in the fields of Distribution, Channel management, B2B sales, Product Category management & Supply Chain.

NOTICE

NOTICE is hereby given that the 67th Annual General Meeting of DUROPLY INDUSTRIES LIMITED will be held on Friday, the August 09, 2024 at 04.30 P.M (IST) through video conferencing / other audio visual means to transact the following businesses:

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Mr. Vinay Agarwal (DIN: 06431086), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

- Appointment of Mr. Shivram Sethuraman (DIN: 07946245) as Non-Executive Independent Director of the Company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Regulation 16(1)(b) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee and approved by the Board of Directors, Mr. Shivram Sethuraman (DIN: 07946245), who was appointed as an Additional Director of the Company w.e.f 17th May, 2024, to hold office until the date of the next Annual General Meeting in terms of Section 161 of the Act and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended, be and is hereby appointed as Non-

Executive Independent Director of the Company for a term of five consecutive years w.e.f. 17.05.2024 and upto 16.05.2029, not liable to retire by rotation.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all the necessary acts, deeds, matters and things as may be considered necessary, expedient and desirable to give effect to this resolution.”

- Appointment of Mr. Anup Kumar Agarwal (DIN : 07571695) as an Investor Director of the Company.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of the Nomination & Remuneration Committee and approved by the Board of Directors, Mr. Anup Kumar Agarwal (DIN : 07571695), who was appointed as an Additional Investor Director of the Company w.e.f 17th May, 2024, to hold office until the date of the next Annual General Meeting in terms of Section 161 of the Act, be and is hereby appointed as an Investor Director of the Company, not liable to retire by rotation, in terms of the shareholders agreement entered into by the company with a group of investors.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all the necessary acts, deeds, matters and things as may be considered necessary, expedient and desirable to give effect to this resolution.”

By order of the Board of Directors

KOMAL DHRUV

Company Secretary

ACS-41850

Date: May 17, 2024
Place: Kolkata

NOTES:

1. In view of the extraordinary circumstances due to outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) by Circular No.14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 5th May, 2020, Circular No. 2/2022 dated 5th May, 2022, Circular No. 10/2022 dated 28th December, 2022 and Circular No. 09/2023 dated 25th September, 2023 (the MCA Circulars) read with Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 (the SEBI Circulars) had permitted sending of the Notice of AGM along with Annual Report only through electronic mode to those Members whose e-mail addresses were registered with the Company / RTA / Depositories as well as conducting the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

In compliance with applicable provisions of the Companies Act, 2013 and the MCA and SEBI Circulars the:
 - a) Notice of the AGM along with Annual Report for the Financial Year 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / RTA / Depositories.
 - b) 67th AGM of the Members will be held through VC / OAVM.
2. Members may note that the AGM Notice along with the Annual Report for the Financial Year 2023-24 has been uploaded on the website of the Company at www.duroply.in. The Notice and the Annual Report can also be accessed from the websites of the Stock Exchange, i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL i.e. www.evotingindia.com. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at 9 Parsee Church Street, Kolkata, West Bengal 700001.

3. The Explanatory Statement pursuant to Section 102 of the Act and the additional information pursuant to Regulation 36(3) of the Listing Regulations, in respect of Director proposed for appointment /re-appointment at the meeting are annexed hereto.
4. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the Listing Regulations read with MCA and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 67th AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The Board of Directors of the Company has appointed Shri Atul Kumar Labh, Practicing Company Secretary, (FCS-4848), as Scrutinizer to scrutinize the Voting process in a fair and transparent manner.
5. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 67th AGM and hence the attendance slip, proxy forms and route map are not attached with the notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 67th AGM through VC/OAVM Facility and e-Voting during the 67th AGM.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to 1000 members on first come first

served basis. This will not include Large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

7. Attendance of the Members participating in the 67th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. Pursuant to section 91 of the Act, read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and Regulation 42 of the Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from August 03, 2024 to August 09, 2024 (both days inclusive) for the purpose of 67th AGM.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and all the relevant documents pertaining to the resolutions proposed vide this notice of Annual General Meeting will be available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send an email to investors@duroply.com.
10. Members are requested to intimate change in their addresses, if any, to the Registrar and Share Transfer Agent in respect of equity shares held by them in physical mode and to their Depository Participant(s) in respect of shares held in dematerialized form.
11. Pursuant to Section 72 of the Act, members holding shares in physical form are advised to file nomination with the RTA. In respect of shares held in Electronic/ Demat form, Members may please contact their respective Depository Participants(s).
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to

their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. Maheshwari Datamatics Pvt. Ltd. / Company.

13. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard. Accordingly, the shareholders holding shares in physical form, in their own interest, are hereby requested to take necessary steps to dematerialise their shares as soon as possible.

The shareholders may approach the nearest Depository Participant or browse through the website of National Securities Depository Limited (www.nsdl.co.in) and Central Depository Services Limited (www.cdslindia.com) for further clarification in this regard.

14. Updation of PAN and other details

SEBI vide its Circulars dated November 3, 2021 and December 14, 2021 mandated furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders of physical securities through Form ISR-1. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.

Accordingly, the Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. Members holding shares of the Company in physical form are requested to go through the requirements hosted on the website of the Company at www.duroply.in and furnish the requisite details.

Members are also requested to intimate changes, if any, pertaining to their name, postal address, email address, mobile number, PAN, registration of nomination, power of attorney registration, bank mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar at

mdpldc@yahoo.com in case the shares are held in physical form, quoting their folio number. Changes intimated to the DP will then be automatically reflected in the Company's records.

Further, effective April 1, 2024, SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details viz. (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature, shall be eligible to get dividend only in electronic mode. Accordingly, payment of dividend (as and When declared), subject to approval at the AGM, shall be paid to physical holders only after the above details are updated in their folios. Shareholders are requested to complete their KYC by writing to the Company's RTA, Maheshwari Datamatics Private Limited. The forms for updating the same are available at Company's website www.duroply.in and RTA website www.mdpl.in

15. Members holding shares in physical or demat form as on the cut-off date i.e. August 02, 2024 shall only be eligible to vote on the resolutions mentioned in the Notice of Annual General Meeting. Those who become Members of the Company after dispatch of AGM Notice but on or before August 02, 2024 (Cut-off date) may obtain the login ID and password by sending a request to the Registrar & Share Transfer Agent at mdpldc@yahoo.com or to the Company at investors@duroply.com. However, those already registered with CDSL for e-voting can use their existing user Id and password for Login.

16. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES/ MOBILE NOS. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES:

- i. For Physical shareholders - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to Company at investors@duroply.com/RTA at mdpldc@yahoo.com or visit RTA website.
- ii. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
- iii. For Individual Demat shareholders - Please update your email id & mobile no. with your respective

Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

- iv. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

17. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/ OAVM ARE AS UNDER:

- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned below for Remote e-voting.
- ii. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
- iii. Further shareholders will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@duroply.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@duroply.com.
- vi. Those shareholders who have registered themselves as a speaker will only be allowed to

express their views/ask questions during the meeting.

18. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- i. The procedure for e-voting on the day of the AGM is same as the instructions mentioned below for Remote e-voting.
- ii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
- iii. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- iv. Shareholders who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

19. NOTE FOR NON - INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- iv. The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.
- v. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the

scrutinizer to verify the same.

- vi. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@duroply.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

20. INSTRUCTION FOR REMOTE ELECTRONIC VOTING (REMOTE E-VOTING) AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/ OAVM:

The instructions for members voting electronically are as under:

- I. The voting period begins on August 06, 2024 at 9:00 a.m. (IST) and ends on August 08, 2024 at 5:00 p.m. (IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date being August 02, 2024 will be eligible to vote by electronic means or at the AGM. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. Those who becomes Members of the Company after dispatch of AGM Notice but on or before August 02, 2024 (Cut-off date) may obtain the login ID and password by sending a request to the Registrar & Share Transfer Agent at mdpldc@yahoo.com or to the Company at investors@duroply.com. However, those already registered with CDSL for remote e-voting can use their existing user ID and password for Login.
- III. To enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register with multiple e-voting service providers (ESPs), for facilitating seamless authentication and also enhancing ease and convenience of participating in e-voting process.

IV. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised

to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

a) Pursuant to above said SEBI Circular, Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.
	<ol style="list-style-type: none"> If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a e-voting link available on www.cdslindia.com home page or click on http://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL Depository	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<ol style="list-style-type: none"> If the user is not registered for IDeAS e-services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in Demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.: 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

b) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- The shareholders should log on to the e-voting website www.evotingindia.com;
- Click on “Shareholders” tab to caste your votes;
- Now, select the Electronic Voting Sequence Number “EVSN” along with Duroply Industries Limited from the drop-down menu and click on “SUBMIT”;
- Now Enter your User ID;
 - For CDSL: 16 digits beneficiary ID.
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below :

For Physical Shareholders and other than individual shareholders holding shares in demat	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/ RTA
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- After entering these details appropriately, click on “SUBMIT” tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for “Duroply Industries Limited” on which you choose to vote.
- On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

16. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

17. If Demat account holder has forgotten the changed password, then Enter the User ID and the image verification code and click on ‘Forgot Password’ & enter the details as prompted by the system.

18. There is an optional provision to upload BR/ POA if any uploaded, which will be made available to the scrutinizer for verification.

In case you have any queries or issues regarding AGM and e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call at 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at 1800 22 55 33.

By order of the Board of Directors

KOMAL DHRUV
Company Secretary
 ACS-41850

Date: May 17, 2024
 Place: Kolkata

Annexure – 1

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Pursuant to the provisions of Section 161 of the Companies Act, 2013, and the Articles of Association of the Company, the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Shivram Sethuraman (DIN:07946245), as an Additional Independent Director of the Company with effect from 17th May, 2024.

In terms of the provisions of Section 161 of the Companies Act, 2013, Mr. Shivram Sethuraman would hold office up to the date of this Annual General Meeting. He is proposed to be appointed as an Independent Director for a term of 5 (Five) consecutive years w.e.f. 17.05.2024 upto 16.05.2029 pursuant to Section 149 (including other applicable provisions if any) of the Companies Act, 2013 and rules made thereunder.

He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. The Company has also received declarations from Mr. Shivram Sethuraman that he meets with the criteria of independence as prescribed under Section 149 of the Companies Act, 2013 and rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Over the years Mr. Sethuraman has also been on the Board of several companies which includes AWT Energy Private Limited, Apollo Home Healthcare Limited, Apollo Hospitals, Indore and Imperial Hospitals Bengaluru. He was also a Chief Operating Officer at Intercraft Trading Private Limited Mumbai (Leading Distributor of Luxury Perfumes), Executive Director – Human Resources at Sanmar Group Chennai, Director, Human Capital Advisory Services at Deloitte Touche Tohmatsu India Private Limited thus adding on to the excellent strategic oversight over business operations, managerial experience and leadership skills.

The Board is of the opinion that the experience of over 30 years in Human Resources Management and extensive expertise in Strategic HR Consulting across industries of Mr. Shivram Sethuraman justifies the skills & capabilities required for the said role. He also fulfills the conditions specified in the said Act and the rules made thereunder and possesses appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively and he is independent of

the management.

The Board considers that his experience and expertise would be of immense benefit to the Company and it is desirable to avail services of Mr. Shivram Sethuraman as an Independent Director for a term of 5 (Five) consecutive years w.e.f. 17.05.2024 upto 16.05.2029. Brief profile of Mr. Shivram Sethuraman is given in the Annexure - 1 to this Notice.

The draft letter for the appointment of Mr. Shivram Sethuraman as independent director setting out the terms and conditions is available at <https://www.duroply.in/>.

Except Mr. Shivram Sethuraman, none of the other Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise in this resolution.

The Board recommends resolution set out in Item No. 3 of the notice for approval by the members.

Item No. 4

In order to give effect to the terms and conditions of the shareholders agreement dated 14th February, 2024 entered into amongst the company, its promoters and a group of investors , the Board of Directors of the Company have approved the appointment of Mr. Anup Kumar Agarwal (DIN: 07571695) as an Additional Non-Executive Investor Director of the Company at its meeting held on 17th May, 2024.

Pursuant to the provisions of Section 152 of Companies Act, 2013, the regularization of aforesaid apointment from additional director to director requires approval of Members of the Company through ordinary resolutions at a duly convened General Meeting.

He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Brief profile of Mr. Anup Kumar Agarwal is given in the Annexure – 1 to this Notice.

Except Mr. Anup Kumar Agarwal, none of the other Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise in this resolution.

The Board recommends resolution set out in Item No. 4 of the notice for approval by the members.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING OF THE COMPANY

Name	Mr. Vinay Agarwal	Mr. Shivram Sethuraman	Mr. Anup Kumar Agarwal
DIN	06431086	07946245	07571695
Date of Birth / Age	11.04.1956 (68 yrs)	11.07.1966 (57 yrs)	09.12.1981 (42 yrs)
Date of Appointment on the Board	09.08.2022	17.05.2024	17.05.2024
Qualification	Graduate of IIT Kanpur and IIM Calcutta	B.Tech, PGDM from Indian Institute of Management Lucknow, and Textile Technologist from TIT Bhiwani.	PGDM- Finance & Marketing
Expertise in Specific functional area	Mr. Vinay Agarwal has worked as a Managing Director/ CEO/COO with several multinational companies like Grindwell Norton Limited, TVS Interconnect Systems Ltd. He founded PGT Partners in 2011 to give assistance to Companies Promoters to double their profits in a year and/or triple sales in three years. He is a speaker on Business Growth & Scaling, Business Turnaround and Marketing.	He is a Human Resources Management Professional with over 30 years of experience and has an extensive expertise in Strategic HR Consulting across industries and has led engagements in organization restructuring, performance management systems design, compensation studies, competency mapping, assessment & development centers and management training for numerous organizations.	He is a highly accomplished Finance professional with over 13 years of experience . He is skilled in fundamental analysis, equity research, options trading, and risk management. Recognized for meticulous organization, a keen eye for opportunity, and a commitment to maximizing returns while mitigating risk.
Terms and Conditions of Appointment / Re-appointment	Non-Executive Non Independent Director, liable to retire by rotation	Non-Executive & Independent Director, not liable to retire by rotation	Investor Director, not liable to retire by rotation
Skills & capabilities required for the role & manner in which proposed person meets such requirements (for Independent Directors)	Not Applicable	Refer explanatory statement	Not Applicable
Number of Board meetings attended out of five Board meetings held during the Year	Three	Not Applicable	Not Applicable
Remuneration last drawn by such person, if applicable	Not Applicable	Not Applicable	Not Applicable

Name	Mr. Vinay Agarwal	Mr. Shivram Sethuraman	Mr. Anup Kumar Agarwal
Directorship held in other Public Companies	Nil	1 (One)	Nil
Committee membership/ Chairmanship held in other Companies	Nil	Chairmanship in Audit and Nomination and Remuneration Committee of Apollo Rajshree Hospitals Private Limited	Nil
Relationship with other Directors/KMP	Not related	Not related	Not related
Number of shares held in the Company : a) Self b) As beneficial owner	25726	-	5000
No. of listed entities from which the person has resigned in the past three years	-	-	-

DIRECTORS' REPORT

to the Members

Your Directors are pleased to present the 67th Annual Report of Duroply Industries Limited along with the Audited Financial Statements for the financial year ended March 31, 2024.

FINANCIAL HIGHLIGHTS			(Rupees in Lakhs)
Particulars	As on 31.03.2024	As on 31.03.2023	
Turnover	32267.47	30233.86	
Other Income	165.37	216.14	
Profit before finance charges, Tax, Depreciation/ Amortization (PBITDA)	1285.46	1840.97	
Less: Finance Charges	814.44	711.47	
Profit before Depreciation/ Amortization (PBTDA)	471.02	1129.50	
Less: Depreciation	370.12	337.71	
Profit before Tax and Exceptional Items	100.90	791.79	
Net profit before taxation (PBT)	100.90	791.79	
Provision for taxation	0.15	269.22	
Profit/ (Loss) after Taxation (PAT)	100.75	522.57	
Other Comprehensive Income	(50.86)	(13.26)	
Total Comprehensive Income	49.89	509.31	

STATE OF COMPANY'S AFFAIRS

During the year under review, the Company has achieved a turnover of Rs 322.67 Crores as against Rs.302.34 Crores in the preceding financial year, an increase of 6.72%. Profit before Tax is Rs 1 crores as against Rs 7.92 crores in the preceding year. Profit after Tax is Rs 1 crores as against Rs 5.23 crores in the preceding year.

DIVIDEND

During the year under review, the Directors regret their inability to recommend any dividend for the financial year ended March 31, 2024.

TRANSFER TO RESERVES

The Reserves and Surplus of your Company has increased to 116.58 crores in the year 2023-24 as compared to 80.64 crores in the year 2022-23. No amount has been proposed to be transferred to the General Reserve for the financial year ended March 31, 2024.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2024 was Rs. 9.86 Crores.

Preferential issue of equity shares and share warrants

During the year under review, the Board of Directors of the Company vide its meeting held on February 13, 2024 approved the proposal for raising of funds by way of issue, offer and allotment of upto 11,77,336 equity shares of Rs. 10/- each ("Equity Shares") for cash at a price of Rs. 203/- (including a premium of Rs. 193/-) per Equity Share and upto 9,85,220 warrants, each convertible into, or exchangeable for, 1 fully paid-up equity share of the Company of face value of Rs. 10/- each ("Warrants") at a price of Rs. 203/- each payable in cash ("Warrants Issue Price"), which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 months, by way of preferential issue on private placement basis for an aggregate consideration not exceeding Rs. 43,89,98,868/- in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with the applicable provisions of the Companies Act, 2013. The Shareholders of the Company have approved the issue of such securities in the Extra-ordinary General Meeting held on March 9, 2024. The allotment of 11,77,336 equity shares and 9,85,220 Warrants on Preferential Basis was approved by the Allotment Committee in their meeting held on March 27, 2024.



Conversion of share warrants into equity shares of the company

The Company had issued 11,91,032 Convertible Warrants of face value of Rs 10/- each on preferential basis to allottees under Promoter category in financial year 2022-23. Out of the total warrants issued, 9,12,808 warrants pending for conversion into equity shares were converted into Equity shares of face value of Rs 10/- each at a premium of Rs 116/- each (2,12,754 warrants on October 16, 2023, 4,86,774 warrants on December 18, 2023 and 2,13,280 warrants on February 20, 2024).

Further, the fund raised through the preferential issue in 2022 has been used for the stated purpose to augment the long-term resources of the Company for meeting funding requirements of its business activities, strengthen balance sheet, maintain adequate liquidity, pursue growth opportunities and general corporate and other purposes and the funds raised through the preferential issue in 2024 has been used for the stated purpose i.e. working capital requirements and general corporate purposes. There is no deviation in the use of the proceeds.

CHANGES IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the Company during the year.

BORROWINGS

The total borrowings stood at Rs. 41.03 crores as at March 31, 2024 as against Rs. 41.46 crores as on March 31, 2023, i.e. a decrease of Rs. 0.43 crores.

DEPOSITS

The Company has not accepted any deposits from public during the year and as such, there is no outstanding deposit in terms of Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted Corporate Social Responsibility (CSR) Committee in compliance with provisions of Section 135 of the Companies Act, 2013 and SEBI Listing Regulations, with Mr. Sudeep Chitlangia (Chairman), Mr. Akhilesh Chitlangia (Member) and Mr. Probir Roy (Member upto 31.03.2024) replaced by Mr. Kulvin Suri (effective 01.04.2024). The CSR Committee laid down the CSR policy of the Company which can be accessed at www.duroply.in. The Company was not obligated to contribute towards CSR activities during financial year 2023-24, as per the provisions of the Companies Act, 2013. Annual report on CSR Activities is enclosed as **“Annexure-1”**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as the “Listing Regulations”), the Management Discussion and Analysis Report is attached herewith as **“Annexure-2”**.

DIRECTORS AND KEY MANAGERIAL PERSONNEL Directors

Retirement by Rotation

Mr. Vinay Agarwal (DIN: 06431086), Non-Executive Non-Independent Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment in accordance with the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013.

Appointment / Re-appointment of 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 11th August, 2023, inter alia, confirmed appointment of Sri Arun Kumar Singhania (DIN: 00160194) and Smt Suparna Chakrabortti (DIN: 07090308) for a term of five years from 19th May, 2023 to 18th May, 2028 as an Independent Director on the Board of the Company.

The Nomination and Remuneration committee and the Board of Directors at their respective meetings held on February 13, 2024, recommended the appointment of Mr. Kulvin Suri (DIN: 03640464) as Non-Executive, Independent Director of the Company to the members of the Company and accordingly, the Company has received approval of the members of the Company in the Extra Ordinary General Meeting held on 9th March, 2024. Mr Kulvin Suri has been appointed as an Independent Director, not liable to retire by rotation, for a term of five consecutive years commencing from 13th February, 2024 to 12th February, 2029.

The Board of Directors at its meeting held on May 17, 2024, based on the recommendation of Nomination and Remuneration Committee has appointed Mr. Shivram Sethuraman (DIN: 07946245) as Additional (Non-Executive Independent) Director of the Company w.e.f. May 17, 2024, not liable to retire by rotation and Mr. Anup Kumar Agarwal (DIN: 07571695) as Additional Non-Executive Director of the Company w.e.f. May 17, 2024, not liable to retire by rotation. The resolutions for their appointment have been included in the Notice convening 67th AGM for the approval of Members.

Re-designations and fresh appointments of Mr. Sudeep Chitlangia and Mr. Akhilesh Chitlangia

During the year under review, the Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee, have keeping in view the Company’s long term strategic planning and the ongoing transformation journey resolved following in its meeting held on February 13, 2024:

- The re-designation and appointment of Mr. Sudeep Chitlangia (DIN: 00093908) as an Executive Chairman, in the category of a whole-time director, with the title as the “Chairman” of the Company, for a fresh term of three (3) years commencing from April 1, 2024; and
- The re-designation and appointment of Mr. Akhilesh Chitlangia (DIN: 03120474) as the “Managing Director and Chief Executive Officer” of the Company, for a fresh term of three (3) years commencing from April 1, 2024.

The special resolutions pertaining to the above re-designations and appointments were duly approved by the shareholders of the Company, with requisite majority, in the Extra Ordinary General Meeting of the Company held on March 9, 2024.

Completion of tenure of Directors

On 31st March, 2024, Mr. Ratan Lal Gaggar (DIN: 00066068), Mr Sujit Chakravorti (DIN: 00066344), Mr Probir Roy (DIN: 00033045) and Mr Kali Kumar Chaudhuri (DIN: 00206157) ceased to be Independent Directors of the Company due to completion of their tenure as an Independent Director as per the provisions of Companies Act, 2013 (‘Act’) & relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Directors placed on record their appreciation for the valuable contribution made by them during their tenure as Director of the Company.

Key Managerial Personnel

In terms of Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the key managerial personnel of the Company as on date of this report are:

- Sudeep Chitlangia, Chairman
- Akhilesh Chitlangia, Managing Director & CEO
- Pawan Kumar Verma, Chief Financial Officer
- Komal Dhruv, Company Secretary

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of finance, people management, strategy, auditing, tax and risk advisory services, banking, financial services, investments; and they hold highest standards of integrity.

The Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs, (‘IICA’) as required under Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

BOARD MEETINGS

During the year under review, five Board Meetings were convened and held. The details of which are given in Corporate Governance Report forming part of this Report. The provisions of the Companies Act, 2013 and the Listing Regulations were adhered to while considering the time gap between two meetings.

ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Annual evaluation of Board, its performance, Committees and individual Directors pursuant to applicable provisions of the Companies Act, 2013 and applicable regulations of the Listing Regulations, were carried out.

The performance of the Board was evaluated after seeking inputs from all the Directors present in the meeting on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The Board and Nomination & Remuneration Committee had evaluated / reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The Securities and Exchange Board of India vide circular SEBI/HO /CFD /CMD/ CIR/ 2017/004 dated January 05, 2017, issued a Guidance Note on Board Evaluation about various aspects involved in the Board Evaluation process to benefit all stakeholders.

While evaluating the performance, the above guidance note was considered. Performance evaluation of Independent Directors was carried out by the entire board, excluding the Independent Director being evaluated. A meeting of the Independent Director for the FY 2023-24, was held on February 13, 2024, to review the performance of the Non-Independent Directors and performance of the Board as a whole, on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board. The same were discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the board, its committees, and individual Directors were also discussed. The Directors expressed their satisfaction with the evaluation process.

MANAGERIAL REMUNERATION

The information required pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of managerial personnel and employees of the company are attached herewith as “Annexure–3”.

SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES

As on March 31, 2024 the company is not having any associate, subsidiary or joint venture.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTY

All related party transactions that were entered into during the financial year under review were at arm’s length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly there is no transaction to be reported in Form AOC-2.

All related party transactions are placed before the Audit Committee for approval. The detail of the policy on Related Party Transactions as approved by the Board of Directors and Audit Committee is available on the Company’s website www.duroply.in.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has in place a Vigil Mechanism/Whistle Blower Policy to deal with unethical behavior and to provide a framework to promote responsible and secured reporting of undesired activities. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company at www.duroply.in. During the year, no case was

reported under this policy.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013, are given in the notes to the financial statements.

REMUNERATION POLICY

The Company has formulated a policy on director’s selection and appointment, payment of remuneration, director’s qualifications, positive attributes, independence of directors, selection and appraisal of performance of Key Managerial Personnel and Senior Management and their remuneration and other related matters as applicable under Section 178(3) of the Companies Act, 2013. The Company’s criteria for payment of remuneration to the Non -Executive Directors and Familiarization Programme undertaken for Independent Directors are available on the Company’s website www.duroply.in and the Remuneration Policy is separately attached herewith as “Annexure–4”.

RISK MANAGEMENT POLICY

The Company has a defined risk management framework to identify, assess, monitor and mitigate risks involved in its business. The Company understands that risk evaluation and risk mitigation is an ongoing process within the organization and is fully committed to identify and mitigate the risks in the business. The Company has formulated and implemented a risk management policy in accordance with Listing Regulations, to identify and monitor business risk and assist in measures to control and mitigate such risks. In accordance with the policy, the risk associated with the Company’s business is always reviewed by the management team and placed before the Audit Committee. The Audit Committee reviews these risks on periodical basis and ensures that mitigation plans are in place. The Board is briefed about the identified risks and mitigation plans undertaken. The risk management policy as approved by the Board of Directors is available on the Company’s website www.duroply.in.

INTERNAL FINANCIAL CONTROL

The Company has adequate internal control procedures commensurate with its size and nature of business. The objective of these procedures is to ensure efficient use and protection of the Company’s resources, accuracy in financial reporting and due compliance of statutes and corporate policies and procedures. The Internal Financial Control (IFC) system ensures recording and providing reliable financial and operational information, compliance with applicable laws, executing transactions with proper

authorization and compliance with corporate policies.

The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls have been laid down by the Company and that such controls are adequate and operating effectively.

Necessary certification by the Statutory Auditors in relation to Internal Financial Control u/s 143(3) (i) of the Companies Act, 2013 forms part of the Audit Report.

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors’ Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit/loss of the Company for the year on that date;
- (iii) That the Directors have 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) That the Directors have prepared the accounts for the year ended March 31, 2024 on a ‘going concern’ basis.
- (v) That the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively.
- (vi) That the Directors incorporated proper systems to ensure compliance with the provisions of all applicable laws was in place and were adequate and operating effectively.

CORPORATE GOVERNANCE

The Company has in place the SEBI guidelines pertaining to Corporate Governance. The Corporate Governance Report giving the details as required under the Listing Regulations is given separately as “Annexure–5”.

The Corporate Governance Certificate for the financial year ended on March 31, 2024 issued by CA Vivek Agarwal, partner of M/s S K Agrawal and Co Chartered Accountants LLP, Chartered Accountants, Statutory Auditors of the

Company, is also attached herewith as “Annexure–6”.

Certificate Pursuant to Regulation 17(8) of the Listing Regulations is attached herewith as “Annexure–7”.

COMMITTEES OF BOARD OF DIRECTORS

The Board has seven Committees out of which three have been mandatorily constituted in compliance with the requirements of Companies Act, 2013 and the Listing Regulations while four non-mandatory Committees have been constituted to assist it in the management of the day-to-day affairs of the Company 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:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Investor Committee
- Finance Committee
- Allotment Committee
- CSR 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.

AUDITORS STATUTORY AUDITORS

The statutory auditors of your Company namely, M/s. S K Agrawal and Co Chartered Accountants LLP, Chartered Accountants, (Firm Registration No. 306033E/E300272) (Formerly known as : M/s. S K Agrawal & Co.) were appointed for a period of five years at the Annual General Meeting held on September 28, 2022. The statutory auditor confirmed their eligibility and submitted the certificate in writing that they are not disqualified to hold the office of the statutory auditors. The report of the Statutory Auditor forms part of the Annual Report 2023-24. The said report does not contain any qualification, reservation, adverse remark or disclaimer. The report of the Statutory Auditor forms part of the Annual Report 2023-24. The said report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review,



the Auditors did not report any matter of fraud under Section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Sumantra Sinha, Practicing Company Secretary (ACS: 11247), was appointed to conduct the Secretarial Audit for the Financial Year 2023-24. The Secretarial Audit report for the financial year ended March 31, 2024 is attached herewith as “Annexure-8”. The said report does not contain any reservation, qualification or adverse remark.

Based on the consent received and on recommendation of the Audit Committee, the Board has re-appointed Mr. Sumantra Sinha, Practicing Company Secretary as the secretarial auditor for the financial year 2024-25.

COST AUDITORS

During the year under review Cost Audit is not applicable to the Company.

INVESTOR EDUCATION & PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 is not applicable for the Company as no dividend was declared in the last financial year.

STOCK EXCHANGE LISTING

The Equity Shares of the Company are listed at the BSE Limited. The Company confirms that the annual listing fees has been paid to the BSE Limited for the financial year 2024-25.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining 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 is furnished in “Annexure-9” attached herewith.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return as on March 31, 2024 is available at the web link: <https://duroply.in/investor/document/annual-return>

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitment affecting the financial position of the Company since the close of the financial year i.e. March 31, 2024 till the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

PROCEEDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016

There are no proceedings, either filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as on 31st March, 2024.

SETTLEMENTS WITH BANKS OR FINANCIAL INSTITUTIONS

During the year under review, no settlements were made by the Company with any Banks or Financial Institutions.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

The Company provides a safe and conducive work environment to its employees and 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 and the rules framed thereunder. Internal Complaints Committee have been constituted to enquire into complaints and to recommend appropriate action, wherever required in compliance with the provisions of the said Act.

During the year under review, no complaint was reported to the Committee.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the financial year, your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

ISO CERTIFICATION

The Company’s factory at Rajkot, Gujarat have been certified ISO 14001:2015 for Environmental Management Systems Standards.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to the dealers, agents, suppliers, investors and bankers for their continued support, co-operation and their valuable guidance to the Company and for their trust reposed in the Company’s management. Your Directors also place on record their sincere appreciation to employees at all levels for their hard work, dedication and continuous contribution to the Company.

Registered Office:

9, Parsee Church Street,
Kolkata – 700001

Date: May 17, 2024

Place: Kolkata

For and on behalf of the Board

AKHILESH CHITLANGIA

Managing Director & CEO

(DIN: 03120474)

SUPARNA CHAKRABORTTI

Director

(DIN: 07090308)

Annexure – 1

Annual Report on CSR Activities for Financial Year 2023 – 24

1. Brief outline on CSR Policy of the Company

The CSR policy of the Company aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations. The philosophy of CSR is imbibed in the business activities and social initiatives as it already carries out its business as being “The Forest Friendly Company”.

2. Composition of CSR Committee

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	Shri Sudeep Chitlangia	Chairman	2	2
2	Shri Akhilesh Chitlangia	Member	2	2
3	Shri Probir Roy*	Member	2	2
4	Shri Kulvin Suri*	Member	NA	NA

* Shri Kulvin Suri was appointed as a member of the committee with effect from April 1, 2024 in place of Shri Probir Roy.

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

Composition of CSR committee	https://duroply.in/investor/document/composition-of-board-and-committees
CSR Policy	https://duroply.in/investor/document/csr-policy
CSR projects approved by the Board	No specific projects have been approved by the Board in the financial year under review as the average net profit for the last three years was in the negative zone, the Company is not required to spend money for CSR activities in the financial year 2023-24 as per the policy adopted and as per Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended.

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 (attach the report)

Not applicable as the CSR obligation for the period under review is NIL as against the prescribed threshold limit to undertake impact assessment.

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 Rs)	Amount required to be set-off for the financial year, if any (in Rs)
			NIL

6. Average net profit of the company as per section 135(5)

Average net profit for last three financial years is (8.38) lakhs.

7. (a) Two percent of average net profit of the company as per section 135(5)

NIL as the average net profit for the last three years is negative.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years

Not Applicable

(c) Amount required to be set off for the financial year, if any

Not Applicable

(d) Total CSR obligation for the financial year (7a+7b-7c)

NIL

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	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
	NIL				

(b) Details of CSR amount spent against ongoing projects for the financial year:

(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 Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL												

(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 Rs.)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
NIL									

(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) : NIL

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
1	Two percent of average net profit of the company as per section 135(5)	NIL Avg. Net Profit is Rs (8.38) lakhs
2	Total amount spent for the Financial Year	NIL
3	Excess amount spent for the financial year [(ii)-(i)]	NIL
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(1)	(2)	(3)	(4)	(5)			(6)
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	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 Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
NIL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(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 Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
NIL								

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)	NIL
b)	Amount of CSR spent for creation or acquisition of capital asset	NIL
c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc	NIL
d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	NIL

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

Sd/-
(Managing Director & CEO)
Shri Akhilesh Chitlangia

Sd/-
(Chairman of CSR Committee)
Shri Sudeep Chitlangia

Date : May 17, 2024

Place : Kolkata



Annexure – 2

MANAGEMENT DISCUSSION AND ANALYSIS

Global economy

Overview: Global economic growth declined from 3.5% in 2022 to an estimated 3.1% in 2023. A disproportionate share of global growth in 2023-24 is expected to come from Asia, despite the weaker-than-expected recovery in China, sustained weakness in USA, higher energy costs in Europe, weak global consumer sentiment on account of the Ukraine-Russia war and the Red Sea crisis resulting in higher logistics costs. A tightening monetary policy translated into increased policy rates and interest rates for new loans.

Growth in advanced economies is expected to slow from 2.6% in 2022 to 1.5% in 2023 and 1.4% in 2024 as policy tightening takes effect. Emerging market and developing economies are projected to report a modest growth decline from 4.1% in 2022 to 4.0% in 2023 and 2024. Global inflation is expected to decline steadily from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024, due to a tighter monetary policy aided by relatively lower international commodity prices. Core inflation decline is expected to be more gradual; inflation is not expected to return to target until 2025 in most cases. The US Federal Reserve approved a much-anticipated interest rate hike that took the benchmark borrowing costs to their highest in more than 22 years.

Global trade in goods was expected to have declined nearly USD 2 trillion in 2023; trade in services was expected to have expanded USD 500 Billion. The cost of Brent crude oil averaged USD 83 per barrel in 2023, down from USD101per barrel in 2022, with crude oil from Russia finding destinations outside the European Union and global crude oil demand falling short of expectations.

Global equity markets ended 2023 on a high note, with major global equity benchmarks delivering double-digit returns. This outperformance was led by a decline in global inflation, slide in the dollar index, declining crude and higher expectations of rate cuts by the US Fed and other Central banks.

Regional growth (%)	2023	2022
World output	3.1	3.5
Advanced economies	1.69	2.5
Emerging and developing economies	4.1	3.8

(Source: UNCTAD, IMF)

Performance of major economies, 2023

United States	Reported GDP growth of 2.5% in 2023 compared to 1.9% in 2022
China	GDP growth was 5.2% in 2023 compared to 3% in 2022
United Kingdom	GDP grew by 0.4% in 2023 compared to 4.3% in 2022
Japan	GDP grew 1.9% in 2023 unchanged from a preliminary 1.9% in 2022
Germany	GDP contracted by 0.3% in 2023 compared to 1.8% in 2022

(Source: PWC report, EY report, IMF data, OECD data, Livemint)

Outlook: Asia is expected to continue to account for the bulk of global growth in 2024-25. Inflation is expected to ease gradually as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy has demonstrated resilience amid high inflation and monetary tightening, growth around previous levels for the next two years

(Source: World Bank).

Indian economy

Overview: The Indian economy was estimated to grow 7.8% in the 2023-24 fiscal against 7.2% in 2022-23 mainly on account of the improved performance in the mining and quarrying, manufacturing and certain segments of the services sector. India retained its position as the fifth largest economy. The Indian rupee displayed relative resilience compared to the previous year; the rupee opened at ₹82.66 against the US dollar on the first trading day of 2023 and on December 27, was ₹83.35 versus the greenback, a depreciation of 0.8%.

In FY 23-24, the CPI inflation averaged 5.4% with rural inflation exceeding urban inflation. Lower production and erratic weather led to a spike in food inflation. In contrast, core inflation averaged at 4.5%, a sharp decline from 6.2% in FY 22-23. The softening of global commodity prices led to a moderation in core inflation.

The nation's foreign exchange reserves achieved a historic milestone, reaching USD 645.6 Billion. The credit quality of Indian companies remained strong between October 2023 and March 2024 following deleveraged Balance Sheets, sustained domestic demand and government-led capital expenditure. Rating upgrades continued to surpass rating downgrades in H2 FY 23-24. UPI transactions in India posted a record 56% rise in volume and 43% rise in value in FY 23-24.

Growth of the Indian economy

	FY21	FY22	FY23	FY24
Real GDP growth (%)	-6.6%	8.7	7.2	8.2

Growth of the Indian economy quarter by quarter, FY 23-24

	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Real GDP growth (%)	8.2	8.1	8.4	7.8

(Source: Budget FY24; Economy Projections, RBI projections, Deccan Herald)

The FY 23-24 growth in the economy was the highest since FY17, excluding the 9.7% post- Covid rebound in gross domestic product (GDP) in FY 21-22 from the 5.8% contraction in FY 20-21.

India's monsoon for 2023 hit a five-year low. August was the driest month in a century. From June to September, the country received only 94% of its long-term average rainfall. Despite this reality, wheat production was expected to touch a record 114 Million tonnes in the 2023-24 crop year on account of higher coverage. Rice production was expected to decline to reach 106 Million metric tons (MMT) compared with 132 Million metric tonnes in the previous year. Total kharif pulses production for 2023-24 was estimated at 71.18 Lakh metric tonnes, lower than the previous year due to climatic conditions.

As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output was estimated to grow 6.5% in 2023-24 compared to 1.3% in 2022-23. The Indian mining sector growth was estimated at 8.1% in 2023-24 compared to 4.1% in 2022-23. Financial services, real estate and professional services were estimated to record a growth of 8.9% in 2023-24 compared to 7.1% in FY 22-23.

Real GDP or GDP at constant prices in 2023-24 was estimated at ₹171.79 Lakh Crore as against the provisional GDP estimate of 2022-23 of ₹160.06 Lakh Crore (released on May 31, 2023). Growth in real GDP during 2023-24 was estimated at 7.3% compared to 7.2% in 2022-23. Nominal GDP or GDP at current prices in 2023-24 was estimated at ₹296.58 Lakh Crore against the provisional 2022-23 GDP estimate of ₹272.41 Lakh Crore. The gross non-performing asset ratio for scheduled commercial banks dropped to 3.2% as of September 2023, following a decline from 3.9% at the end of March 2023.

India's exports of goods and services were expected touch USD 900 Billion in 2023-24 compared to USD 770 Billion in the previous year despite global headwinds. Merchandise exports were expected to expand between USD 495 Billion and USD 500 Billion, while services exports were expected to touch USD 400 Billion during the year. India's net direct tax collection increased 19% to ₹14.71 Lakh Crore by January 2024. The gross collection was 24.58% higher than the gross collection for the corresponding period of the previous year. Gross GST collection of ₹20.2 Lakh Crore represented an 11.7% increase; average monthly collection was ₹1,68,000 Crore, surpassing the previous year's average of ₹1,50,000 Crore.

India reached a pivotal phase in its S-curve, characterised by acceleration in urbanisation, industrialisation, household incomes and energy consumption. India emerged as the fifth

largest economy with a GDP of USD3.6 trillion and nominal per capita income of INR 123,945 in 2023-24.

India's Nifty 50 index grew 30% in FY 23-24 and India's stock market emerged as the world's fourth largest with a market capitalisation of USD4 trillion. Foreign investment in Indian government bonds jumped in the last three months of 2023. India was ranked 63 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings. India's unemployment declined to a low of 3.2% in 2023 from 6.1% in 2018.

Outlook: India withstood global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy is anticipated to surpass USD 4 trillion in 2024-25.

Union Budget FY 24-25: The Interim Union Budget 2024-25 retained its focus on capital expenditure spending, comprising investments in infrastructure, solar energy, tourism, medical ecosystem and technology. In 2024-25, the top 13 ministries in terms of allocations accounted for 54% of the estimated total expenditure. Of these, the Ministry of Defence reported the highest allocation at ₹6,21,541 Crore, accounting for 13% of the total budgeted expenditure of the central government. Other ministries with high allocation included Road transport and highways (5.8%), Railways (5.4%) and Consumer Affairs, food and public distribution (4.5%).

(Source: Times News Network, Economic Times, Business Standard, Times of India)

Global furniture market overview

The global furniture market has demonstrated growth, with projections indicating continued expansion. From 2023 to 2024, it is set to increase from USD 752.22 Billion to USD 805.54 Billion, a compound annual growth rate (CAGR) of 7.1%. Despite short-term setbacks due to the Russia-Ukraine conflict hindering global economic recovery, including economic sanctions, increased commodity prices and supply chain disruptions, the market remained resilient.

On a global scale, the United States leads in revenue, with a projected USD 253 Billion expected in 2024. Factoring in total population figures, the per-person revenue generated in 2024 averages around USD 98.88. Meanwhile, China's furniture market is witnessing a surge in demand due to urbanisation and increasing disposable incomes.

The furniture market is anticipated to experience robust growth in the coming years, reaching USD 1040.36 Billion by 2028, with a CAGR of 6.6%. This projected growth is driven by several factors, including the adoption of flexible and multifunctional designs, a focus on sustainability and wellness-oriented furniture, expansion in rental markets and a growing interest in luxury furniture. Emerging trends such as smart furniture, customisable designs, retro styles, biophilic design and space-saving solutions are shaping consumer preferences and driving innovation within the industry.

Regionally, the Asia-Pacific region emerges as the market leader, boasting a commanding 40.1% share. This dominance is fueled



by robust manufacturing bases in countries such as China and India.

Furniture manufacturers are adopting augmented reality (AR) technologies to improve sales by allowing sales representatives to showcase products more effectively and assisting customers in making decisions. AR mobile apps let customers place virtual 3D furniture models in their rooms, offering them a comprehensive view and enhancing their shopping experience. (Source: researchandmarkets.com, grandviewresearch, statista.com, market.us)

Indian furniture industry overview

The Indian furniture industry, valued at USD 23.3 Billion in 2021, is on a trajectory of steady growth, projected to reach USD 35.9 Billion by 2028 with a compound annual growth rate (CAGR) of 6.40%. This expansion reflects the market’s evolution from basic furniture to a diverse array of interior furnishings, including wardrobes and sofas. Key drivers include the increasing demand for modular and contemporary furniture in urban areas, spurred by rising urbanisation and a preference for durable seating options. The thriving wood sector in India plays a crucial role in managing production costs, further supporting market growth.

Adoption of advanced technologies like the Internet of Things (IoT) by furniture manufacturers enhances competitiveness. IoT services enable capabilities in design management, performance tracking, and maintenance, contributing to overall market development. The highly competitive and fragmented nature of the market sees organised players and multinational companies gradually increasing their market share, alongside the entry of new players due to low entry barriers.

E-commerce has revolutionised furniture shopping, offering convenience and global reach. The surge in online shopping in India is expected to further boost digital furniture sales. Data-driven insights from e-commerce platforms empower retailers to make informed decisions on product assortment, pricing, and marketing strategies.

India’s vibrant furniture market contributes significantly to both local consumption and exports, sustained by a population of 1.4 Billion and a growing middle class with increased disposable income. Predicted to become the fifth-largest manufacturer and fourth-largest furniture consumer by 2022. India ranks 16th in global furniture exports, with projections indicating a global industry value of USD 872.5 Billion by 2030, growing at a 6% CAGR. (Source: timesofindia.com, ibef.org)

Global furniture e-commerce industry overview

The global e-commerce furniture industry is expected to reach USD 41 Billion by 2030, with an average annual growth rate of 4.6% from 2023 to 2030. The most significant increase in online furniture sales is anticipated in 2025, with millennials emerging as the most frequent online furniture shoppers, particularly for items like sofas, beds, and dining tables. The average order value for online furniture purchases stands at USD 500.

International giants like Amazon and Wayfair coexist with omnichannel retailers in the online furniture retail space. As economies rebound from the pandemic, brick-and-mortar retailers offering delivery or click-and-collect services are gaining traction online.

In terms of shopping preferences, in-store shopping remains popular globally, followed closely by omnichannel options. Convenience is cited as the primary reason for online furniture purchases by approximately half of surveyed U.S. shoppers, with around 34% motivated by lower prices. Globally, approximately one-fifth of consumers made monthly online purchases of home and garden products in 2023. (Source: oberlo.com, statista.com)

Indian plywood sector overview

The India plywood market, valued at ₹222.3 Billion in FY 23-24, is set to reach ₹372.5 Billion by FY 32-33, indicating a CAGR of 5.7% from FY 24-25 to FY 32-33. Key drivers include expanding distribution networks, increased demand for lightweight and easy-to-assemble furniture and a surge in government housing and infrastructural projects.

Market drivers

Construction boom: The thriving construction industry in India is a major catalyst, driven by plywood’s growing use in building and interior design.

Furniture demand: Increasing demand for furniture and home décor, coupled with rising disposable incomes, is fueling market growth. Plywood, known for its versatility and durability, is a preferred choice in furniture application.

Government initiatives: The Government of India’s focus on infrastructure development and affordable housing initiatives is boosting plywood demand.

Emerging trends: Factors like eco-friendly building practices, a diverse range of plywood grades and the rapid growth of e-commerce contribute to a positive market outlook.

Government policies and regulations: Government policies, such as ‘Make in India,’ have stimulated domestic production, but strict environmental regulations regarding wood harvesting and formaldehyde resin use pose challenges. Striking a balance between encouraging domestic production and ensuring environmental sustainability is crucial.

Construction and furniture industries: The plywood market is linked to the performance of the construction and furniture industries. The high demand for housing and infrastructure development, driven by a rapidly growing population and urbanisation, directly benefits the plywood industry. The flourishing real estate sector, with increased construction of commercial and residential spaces, propels plywood demand. In the furniture sector, the rising preference for modular and aesthetically appealing furniture among the middle-class population contributes to increased plywood usage.

Technological advancements and innovation: Technological advancements play a vital role in the plywood industry’s growth. Adoption of modern manufacturing techniques enhances product quality and variety. Innovations, such as water-resistant and fire-retardant plywood, expand application possibilities. The industry’s increasing adoption of eco-friendly practices, like using sustainable materials, aligns with environmentally conscious consumer preferences.

Market trends

Consumer awareness: The growing awareness among consumers about quality construction materials significantly contributes to plywood market growth.

Product innovation: Consumer preferences are shifting towards durable and eco-friendly plywood products known for strength and aesthetic appeal. Innovative plywood types and sustainable forestry practices enhance product availability and diversity.

Distribution evolution: The development of retail and wholesale distribution networks, along with the increasing use of online platforms, accelerates the plywood market’s growth in India. (Source: imarcgroup.com, rprealtyplus, openpr.com)

Indian veneer market overview

In the coming decade, demand for decorative veneers in India is expected to grow by 4.2% annually. The overall value in the country is projected to increase from USD 249.7 Million in 2023 to USD 376.3 Million in 2033. The decorative veneer business revenue in India is set to expand by over 1.5 times until 2033, with an expected 1.0% higher CAGR compared to historical figures. This growth is driven by increased demand for veneers in applications like wall paneling, ceilings and furniture, fueled by population growth and a rising need for residential items. In the forecast period, West India is expected to lead the decorative veneer business, holding around 30% share in 2033. (Source: futuremarketinsights.com)

Indian flush door segment overview

Flush doors offer a more budget-friendly alternative compared to traditional wooden doors and come with various advantages, including resistance to stains, scratches, damage, termites and easy maintenance. These features are anticipated to boost the demand for flush doors in both residential and commercial construction projects. There are different types of flush doors available, such as laminated flush doors, hollow core flush doors and cellular core flush doors.

In the period from 2022 to 2029, the Asia Pacific region, with major contributions from India and China, is expected to dominate the flush door market. The growth of the flush door market in this region is attributed to the rapid development of infrastructure. (Source: fortunebusinessinsights.com)

Growth drivers

Digital technologies: From smart furniture to 3D printing, technology is allowing furniture manufacturers to create pieces that are not only beautiful but also functional and user-friendly. With the use of technology, furniture is becoming more sustainable, durable and adaptable to consumer’s needs. (Source: fututredesignindia.com)

Rising population: The demand for plywood in India is largely fueled by the residential sector, which is experiencing growth due to the country’s increasing population. With a population of 1.44 Billion people, India surpassed China in 2024 to become the most populous country in the world. (Source: linkedin.com)

Increase in nuclear families: India sees a significant rise in nuclear families, comprising 50% of all households nationwide. The southern region leads with 69% nuclear households, while the northern, eastern and western regions stand at 38%, 45% and 49% respectively. Over the past 14 years, three-fourths of newly added households have been nuclear. (Source: thehindubusinessline.com)

Sustainability: This trend is poised to unlock promising avenues for future growth while driving down energy expenses significantly. Additionally, evolving consumer preferences and purchasing behaviours are steering furniture manufacturers towards digital platforms for sales, prompting heightened investments in e-commerce solutions. This shift is accompanied by the adoption of cutting-edge CGI and AR technologies to enrich the online shopping journey. (Source: euromonitor)

Urbanisation: The increasing urbanisation globally has spurred more construction projects, with a greater emphasis on creating buildings that can endure natural disasters such as earthquakes. As a result, there’s been a notable rise in investments in plywood, valued for its strength and flexibility. Numerous companies and residential areas are opting for plywood to guarantee the stability and safety of their structures. (Source: futuremarketinsights.com)

Change in consumer preference: Shifting consumer preferences within the plywood industry have sparked a movement toward the organised segment, fueled by a growing desire for superior quality and branded products. This shift is expected to lead to a further increase in the market share of organised players in the plywood industry in the coming years (Source: Times of India, scribd.com)

Emergence of new market players: The plywood market in the Asia Pacific region is projected to take the lead, fueled by escalating demand for softwood plywood in construction ventures. This growth surge is credited to several factors, including the upswing in infrastructure projects, swift industrialisation and a significant portion of furniture production within the region. (Source: futuremarketinsights, linkedin.com,)

Demand for interior design: The expansion of the interior design and furniture sectors is propelling the plywood market forward. These industries are progressively favoring plywood over raw wood, resulting in heightened plywood utilisation in households. Plywood’s versatility, suitable for diverse applications like speaker construction, coupled with its cost-saving advantages stemming from minimal waste production and superior durability compared to particle board and MDF board, are fueling its growing adoption. (Source: futuremarketinsights)

SWOT analysis

Strengths

- The Company boasts an extensive distribution network spanning across India, facilitating access to a vast customer demographic.
- The Company provides a variety of plywood types to meet the diverse needs of the market.
- Distribution system of the Company guarantees widespread availability and convenient access to their products for customers.
- The Company’s brand is firmly established and maintains a dominant market position as a leader in the Northern Indian region.
- The strategic positioning of the Company’s manufacturing facility provides a competitive edge in fulfilling the demands and requirements of their target market.
- The Company benefits from a competitive advantage due to the significant barriers to entry in its industry.



Weaknesses

- The Company contends with competition from less established or organised firms.
- Fluctuations in raw material prices and resource availability may affect the Company's operations.
- A surplus of the Company's products could adversely affect its financial performance.

Opportunities

- The organised sector's market for wood panel products is growing faster than the unorganised sector.
- The national per capita income of the country is increasing.

- India has a higher percentage of its population belonging to the millennial generation compared to the global average.
- The adoption of GST has hastened the growth of India's organised furniture industry.

Threats

- Indian unorganised plywood manufacturers may opt to lower their product prices, potentially impacting market competition.
- Export restrictions could be imposed on timber-rich countries.
- Raw material costs may continue on an upward growth path.

Details of significant changes in the key financial ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key financial ratios and any changes in Return on Net worth of the Company including explanations thereof are given below:

Ratio	March 2024	March 2023	% change*
Current ratio	1.41	1.01	39.60
Debt equity ratio	0.32	0.43	-25.58
Debt service coverage ratio	1.13	1.52	-25.66
Return on equity	0.01	0.06	-83.33
Inventory turnover ratio	3.47	3.77	-7.96
Trade receivables turnover ratio	10.22	12.42	-17.71
Trade payables turnover ratio	3.75	4.15	-9.64
Net capital turnover ratio	17.37	27.28	-36.33
Net profit ratio	-	0.02	-100.00
Return on capital employed	0.05	0.12	-58.33

* For change of more than 25% refer Balance Sheet Note No 39

Company overview

Duroply Industries Limited (DIL) is a reputable plywood manufacturer based in India, running a production facility for plywood and related products in Rajkot, Gujarat. The DURO product line from the Company is gaining popularity among customers, due to its innovative design, skilled craftsmanship and outstanding customer service.

Company's financial performance

During the year under review, the Company generated a revenue of ₹322.67 Crore compared to ₹302.34 Crore in the previous year, a growth of 6.72%. However, the Company earned a net profit of ₹1.01 Crore, as compared to a net profit of ₹5.23 Crore in the previous year.

Business risk management

Effective risk management is a crucial element for any business. Establishing a thorough risk management framework is essential for organisations to successfully address and reduce risks, ensuring uninterrupted business operations. A well-designed risk management system contributes to minimising unexpected challenges, enhancing service quality, proactively handling changes, sourcing resources effectively, optimising resource utilisation, preventing losses and reducing waste. Duroply Industries Limited has implemented a strong risk management process, subject to regular review by the Board of Directors to evaluate its efficacy. This process entails assessing risks associated with diverse business activities and implementing efficient strategies to mitigate their impact.

Risks and Concerns

Competition risk: Increased competition could lead to a decrease in the Company's market share.	Mitigation: Duroply benefits from a robust distribution network and a diverse product portfolio spanning plywood, veneers and doors, facilitating extensive market penetration. Emphasis on product quality and innovation is anticipated to drive growth throughout the market cycle.
Product risk: The Company could face a scenario where its products lose relevance, resulting in a downturn in business, an accumulation of excess inventory and a decrease in revenues.	Mitigation: In crafting its products, Duroply not only considers present trends but also anticipates future ones. The Company prioritises factors such as product usability, quality, aesthetic appeal and the value proposition pricing offers.
Finance risk: Inadequate financial management by the Company could adversely affect the sustainability of its operations.	Mitigation: With the help of a robust receivable and payable management mechanism, Duroply's cash and liquid investment position as on March 31, 2024 stood at ₹0.79 Crore, ensuring an optimal financial stability. Moreover, the Company also benefits from a debt-service ratio of 1.13 and a healthy interest cover of 1.58.
Quality risk: Poor product quality could significantly impair both product sales and brand image.	Mitigation: The Company operates state-of-the-art facilities to manufacture high-quality products, aiming to maximise resource utilisation and minimise wastage.
Distribution risk: A deficient distribution network could obstruct the Company's ability to expand geographically.	Mitigation: Duroply has dealers, distributors and retailers spread throughout India, contributing to a robust logistics infrastructure that enables swift response to customer needs.
Demand risk: There is a risk that emerging product demand may not materialise the way once forecasted.	Mitigation: Each product segment offered by the Company was chosen due to its relatively untapped demand, which has steadily expanded over time. The Company specialises in a product mix poised to become increasingly relevant in a thriving Indian market.
People risk: The Company might struggle to attract or retain skilled professionals.	Mitigation: Duroply stands out as a top employer in its industry, boasting the highest talent retention rate within its sector. The Company provides unparalleled avenues for both professional advancement and personal growth, setting the standard for opportunities within its field.
Innovation risk: The Company risks brand erosion if it fails to innovate and introduce new products.	Mitigation: The Company's R&D team consistently launches new products, invigorating trade channels and keeping end consumers engaged.

Human resources management

The Company emphasises the significance of its workforce's quality in achieving success and is committed to equipping them with the essential skills and knowledge required to keep pace with technological advancements. Throughout the year, the Company fostered positive relationships with its employees, concentrating on delivering training and opportunities for skill development to assist them in navigating the evolving work landscape. As of March 31, 2024, the Company's permanent employee count was 538.

Cautionary statement

Certain statements in this Management Discussion and Analysis, describing the Company's objectives, outlook and expectations, may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Several factors make a significant difference to the Company's operations, including climatic conditions, economic scenario affecting demand and supply, Government regulations, taxation, natural calamity and such other factors over which the Company does not have any direct control.

Annexure – 3

PARTICULARS OF REMUNERATION

Part A: Information pursuant to Section 197(12) of the Companies Act, 2013

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

Requirement of Rule 5(1)	Details	
(i) The ratio of each Director to the median remuneration of the employees of the Company for the financial year 2023-24	Independent Directors	
	Dr. Kali Kumar Chaudhuri	N.A.
	Shri Sujit Chakravorti	N.A.
	Shri Probir Roy	N.A.
	Shri Ratan Lal Gaggar	N.A.
	Smt Suparna Chakrabortti*	N.A.
	Shri Arun Kumar Singhanian*	N.A.
	Shri Kulvin Suri**	N.A.
	Non-Executive Directors	
	Shri Vinay Agarwal	N.A.
	Executive Directors	
	Shri Sudeep Chitlangia	16.22%
	Shri Akhilesh Chitlangia	10.60%
(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer (MD), Company Secretary or Manager, if any, in the financial year 2023-24	Independent Directors	
	Dr. Kali Kumar Chaudhuri	N.A.
	Shri Sujit Chakravorti	N.A.
	Shri Probir Roy	N.A.
	Shri Ratan Lal Gaggar	N.A.
	Smt Suparna Chakrabortti	N.A.
	Shri Arun Kumar Singhanian	N.A.
	Shri Kulvin Suri	N.A.
	Non-Executive Directors	N.A.
	Shri Vinay Agarwal	N.A.
	Executive Director	N.A.
	Shri Sudeep Chitlangia# (Managing Director)	15.48%
	Shri Akhilesh Chitlangia## (Executive Director & COO)	14.26%
	Chief Financial Officer	
	Shri Pawan Kumar Verma	12.11%
	Company Secretary	
	Smt. Komal Dhruv	13.04%
(iii) The percentage increase in the median remuneration of employees in the financial year	11.92%	
(iv) The number of permanent employees on the rolls of the Company	538 permanent employees as on March 31, 2024	
(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	As per Company's increment guidelines	
(vi) Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended March 31, 2024 is as per the Remuneration Policy of the Company.	

Note: 1) Sitting Fees paid to the Independent Directors is not considered as remuneration paid to the Independent Directors.

* Appointed as Non-Executive Independent Director w.e.f. May 19, 2023

** Appointed as Non-Executive Independent Director w.e.f. February 13, 2024

Re-designated as Executive Chairman w.e.f. April 01, 2024

Re-designated as Managing Director & CEO w.e.f. April 01, 2024

Part B: Statement of Disclosure pursuant to Section 197(12) of Companies Act, 2013

[Read with Rules 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Names of Top 10 employees in terms of remuneration drawn during the Financial Year 2023-2024:

Sl. No.	Name	Designation	Remuneration Received (₹)	Qualification	Total years of Experience	Date of commencement of employment	Age	Last employment
1	Sudeep Chitlangia	Managing Director	85,68,097	B.Com	36	27-05-1988	57	Nil
2	Akhilesh Chitlangia	Executive Director & COO	56,02,040	B.Sc. B.A.	14	01-07-2010	35	Nil
3	Devesh Ahluwalia	Vice- President Sales	51,28,836	B.Sc., PGDBM	32	03-07-2014	56	Sheela Foam Pvt. Ltd.
4	Abhishek Chitlangia	Vice- President (Mfg)	39,89,999	BBA , B.Sc (Eng)	8	01-04-2017	31	Bain & Company
5	Shashank Hissaria	General Manager	38,37,504	B.Com.	35	15-12-1988	54	Nil
6	Harender Verma	Dy General Manager- Sales	37,04,268	M.Sc., MBA	26	26-09-2015	52	Lafarge India Pvt. Ltd.
7	Pawan Kumar Verma	Chief Financial Officer	31,62,863	B.Com., ACA	16	18-12-2008	43	Reliance Retail Ltd.
8	A Srinivas	Deputy General Manager-Sales	28,07,254	MBA(Sales & Marketing)	26	09-10-2013	51	HIL LTD, (Formerly Hyderabad Industries Limited), C.K.Birla Group
9	Prakash Kumar Agarwal	General Manager	26,92,308	B.com	31	01-04-2022	53	Pallorbund Tea Ltd
10	Sushil Tyagi	Assistant General Manager - Sales	25,81,380	B.A.	28	01-07-1996	55	Nil

Registered Office:

9, Parsee Church Street,
Kolkata – 700001

Date: May 17, 2024

Place: Kolkata

For and on behalf of the Board

AKHILESH CHITLANGIA

Managing Director & CEO

(DIN: 03120474)

SUPARNA CHAKRABORTTI

Director

(DIN: 07090308)

Annexure – 4

REMUNERATION POLICY

a) Remuneration Policy for Non Executive Directors/ Independent Directors

Levels of remuneration to directors are determined such that they attract, retain and motivate directors of the quality and ability required to run the Company successfully. With changes in the corporate governance norms, the role of the Non-Executive Directors (NEDs) and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time.

Under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “Listing Regulations”), every company to publish its criteria of making payments to NEDs in its Annual Report. Alternatively, this may be put up on the Company’s website and reference may be drawn thereto in its Annual Report. Section 197 of the Companies Act, 2013 and the Listing Regulations require the prior approval of the shareholders of a Company for making payment to its NEDs.

Further, in order to be consistent with globally accepted governance practices, the company has ushered in flexibility in respect of payment of remuneration to NEDs. It has linked the remuneration paid to NEDs to their attendance at the meetings of the Board or Committees thereof, their contributions at the meetings or otherwise, and on their position in various Committees of the Board, whether as the Chairman or Member.

All board level compensation (including to the NEDs) is approved by the shareholders and disclosed separately in the financial statements. Appropriate disclosures are also made in the Annual Report of the company. The board approves the commission paid to the directors.

In addition, the company also pays a sitting fee on a per meeting basis to the NEDs for attending the meetings of the board and other committees.

b) Remuneration Policy for Executive Directors

The remuneration policy for the Executive Directors has been formulated, considering the following key principles including but not limited to the basic principle to have long term relationship with the Company:

Key Principles:

- Linked to strategy: A substantial portion of the Executive Director’s remuneration is linked to success in developing and implementing the Company’s strategy.
- Performance related: A part of the total remuneration varies with performance, aligning with the shareholder’s interest.
- Long term: The structure of remuneration is designed to reflect the long term nature of the Company and significance of the protection of interest of the shareholders.
- Fair treatment: Total overall remuneration takes account of both the external market and Company’s condition to achieve a balanced “fair outcome”.

Elements of the Remuneration structure of Executive Directors:

The remuneration to key managerial personnel shall include:

- Fixed Salary
- Perquisites and Allowances
- Other benefits in accordance with the market practice and industry analysis.

Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.

The remuneration to any one Managing Director or Whole Time Director or Manager shall not exceed five percent of the net profits of the Company and if there is more than one such director total remuneration shall not exceed ten percent of the net profits of the Company to all such directors and Manager together. The total remuneration to its directors, including Managing Director and Whole-time Director, and its Manager in respect of any financial year shall not exceed eleven percent of the net profits of that financial year.

In case of no profits, or inadequate profits, the Company shall pay remuneration to its Managing or Whole-time Director or Manager in accordance with the provisions of Schedule V of the Companies Act 2013.

c) Remuneration Policy for Key Managerial Personnel (KMP)

The remuneration to Key Managerial Personnels of the Company i.e. Managing Director/Chief Executive Officer/Whole Time Director, Company Secretary and Chief Financial Officer as defined under Companies Act, 2013 read with related rules issued thereon, will be fixed after taking into account educational and professional qualification, experience & expertise of the personnel and the competitive market practices.

Key Principles:

- Remuneration should be sufficient to attract, retain and motivate best non-executive talent suits to the requirement of the Company.
- Remuneration practice should be consistent with the recognized best standard practices for Key Managerial Personnel’s.

Elements of the Remuneration structure of KMP’s:

The remuneration to key managerial personnel shall include:

- Fixed salary
- Perquisites and Allowances
- Other benefits in accordance with the market practice

Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.

d) Remuneration Policy for Senior Management Personnel and other Executives:

The remuneration to Senior Management personnel shall be fixed considering internal, external and individual equity; and also procedural equity.

Remuneration to Senior Management Personnel shall include –

- Fixed Salary
- Perquisites and Allowances
- Other benefits in accordance with the market practice

Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.



Annexure – 5

REPORT ON CORPORATE GOVERNANCE

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Company’s philosophy on corporate governance is based on trusteeship, transparency, accountability and ethical corporate citizenship. As a responsible corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company recognizes that the enhancement of corporate governance is one of the most important aspects in terms of achieving the Company’s goal of enhancing corporate value by deepening societal trust.

BOARD OF DIRECTORS

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 March 31, 2024 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 (the “Listing Regulations”).

Composition

As on March 31, 2024 the Board comprises of 10 (ten) Directors, of which 7 (seven) are Independent Directors.

The composition of the Board of Directors as on March 31, 2024, the number of other committees of which a Director is a Member/Chairperson and the attendance of each director at the Board Meetings and the last Annual General Meeting (AGM) of the Company were as follows:

Name of Directors	DIN	Category of the Directors	No. of Board Meetings attended	Attendance at last AGM on 11.08.2023	No. of Board Committee# positions including this listed entity	
					Member	Chairman
Shri Sudeep Chitlangia (Managing Director)**	00093908	Promoter, Executive	5	Yes	1	-
Shri Akhilesh Chitlangia (Executive Director & COO)**	03120474	Promoter, Executive	5	Yes	-	-
Dr. Kali Kumar Chaudhuri*	00206157	Independent Non-Executive	4	No	4	1
Shri Probir Roy*	00033045	Independent Non-Executive	5	Yes	7	3
Shri Ratan Lal Gaggar*	00066068	Independent Non-Executive	1	No	3	1
Shri Sujit Chakravorti*	00066344	Independent Non-Executive	3	Yes	4	3
Shri Arun Kumar Singhania@	00160194	Independent Non-Executive	3	Yes	1	1
Smt Suparna Chakrabortti@	07090308	Independent Non-Executive	4	Yes	3	-
Shri Kulvin Suri#	03640464	Independent Non-Executive	1	NA	-	-
Shri Vinay Agarwal	06431086	Non- Independent Non-Executive	3	Yes	1	-

Includes Audit Committee and Stakeholders Relationship Committee in both listed and unlisted public companies

* Second term of Independent Directors completed on March 31, 2024.

**Shri Sudeep Chitlangia re-designated as the Executive Chairman and Shri Akhilesh Chitlangia as the Managing Director & CEO of the Company w.e.f. April 1,2024

@ Appointed w.e.f. May 19, 2023

#Appointed w.e.f. February 13, 2024

As required under Para C (2) of Schedule V to the Listing Regulations, following are the number of other directorships and the names of the listed entities where the Directors of the Company are also a Director and the category of their directorships therein:

Name of Director	No. of Directorships including the Company**	Name of the Listed entities in which the concerned Director is a Director	Category of Directorship
Shri Sudeep Chitlangia	1	-	-
Shri Akhilesh Chitlangia	1	-	-
Dr. Kali Kumar Chaudhuri	4	Manaksia Limited	Independent Director
		Manaksia Steels Limited	Independent Director
Shri Probir Roy	6	Industrial and Prudential Investment Co. Ltd.	Independent Director
		Century Plyboards (India) Ltd.	Independent Director
Shri Sujit Chakravorti	4	Deepak Industries Limited	Independent Director
		WEBFIL Limited	Independent Director
Shri Ratan Lal Gaggar	5	International Combustion (India) Limited	Independent Director
Shri Arun Kumar Singhania	2	-	-
Smt Suparna Chakrabortti	4	Rydak Syndicate Limited	Independent Director
		Dhelakhat Tea Co. Ltd	Independent Director
		La Opala RG Limited	Independent Director
Shri Kulvin Suri	3	-	-
Shri Vinay Agarwal	1	-	-

**Foreign Companies, Private Companies and Companies under Section 8 of the Companies Act, 2013 are excluded for the above purpose.

There is no inter-se relationship among the other Directors of the Company. In terms of Regulation 25(8) of the Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective of independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that all the Independent Directors meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and under Section 149(6) of the Companies Act, 2013 and that they are independent of the management.

Board meetings held during the financial year ended March 31, 2024

During the financial year five Board Meetings were held on May 19, 2023, August 03, 2023, November 07, 2023, February 13, 2024 and February 14, 2024.

Information placed before the Board of Directors

As required under the Regulation 17(7) read with Part – A of Schedule-II of Listing Regulations, all the information were placed before the Board.

Code of Conduct

The Board of Directors of the Company has adopted a Code of Conduct for the Directors, Key Managerial

Personnel and Senior Management Personnel of the Company. The said Code of Conduct of the Company has been uploaded on the website of the Company and can be accessed at www.duroply.in.

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 is applicable to all the Promoters, Directors and such other persons defined as designated persons and to their immediate relatives as well.

The Code is available on the website of the Company www.duroply.in. The Company Secretary of the Company acts as the Compliance Officer for the purpose of the aforesaid Code to inter-alia, monitor the adherence of PIT Regulations.

The 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. This Code is available on the website of the Company www.duroply.in.

As per the above Code, Mrs. Komal Dhruv is the Chief Investor Relations Officer.

Shareholding of Non-Executive Directors

Shri Arun Kumar Singhania and Shri Vinay Agarwal hold 17,000 and 25,726 Equity Shares of Rs.10/- each of the Company as on March 31, 2024 respectively.

Independent Directors Meeting

During the year, the Independent Directors of the Company met separately on February 13, 2024, without the presence of other directors or management representatives, to review the performance of non-independent directors and the performance of the Board as whole and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

Details of Familiarisation Programmes imparted to Independent Directors

Pursuant to Regulation 25(7) of the Listing Regulations, the Company should familiarise the Independent Directors through various programs about the Company. The Company has familiarisation programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. During the year, senior management team has from time to time made presentations to Independent Directors giving an overview of the Company's operations,

function, strategy and risk management plan of the Company. The details of familiarisation programme imparted to the Independent Directors during the year are available on the website of the Company at the web-link at <https://duroply.in/investor/document/familiarization-programmes-imparted-to-independent-directors>

Skill/Expertise/Competencies of the Board of Directors

The Following is the list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of the company's business and that the said skills are available with the Board Members:

- Experience in and knowledge of the industries in which company operates.
- Behavior Skills – The attributes and competencies enabling individual Board Member to use their knowledge and skill to function well as team member and to interact with the key stakeholders.
- Financial and management skill
- Technical/professional skills and specialist knowledge to assist with ongoing aspects of the board's role.
- Business Strategy, Sales, & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.

In the table below, the specific areas of focus or expertise of individual board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skills:

Area of Expertise	Name of Directors									
	Shri Sudeep Chitlangia	Shri Akhilesh Chitlangia	Shri Probir Roy	Shri Ratan Lal Gaggar	Shri Sujit Chakravorti	Dr. Kali Kumar Chaudhuri	Shri Arun Kumar Singhania	Smt. Suparna Chakrabortti	Shri Vinay Agarwal	Shri Kulvin Suri
Industry knowledge/ experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Technical skills/ experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Behavioural competencies/ personal attributes	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strategic expertise	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial expertise	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

AUDIT COMMITTEE

Composition of the Committee

The Audit Committee has been constituted by Board in accordance with the section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Audit Committee comprises of three Non-Executive Directors, all of whom are Independent Directors.

The names of the members of the Committee are Shri Sujit Chakravorti (Chairman of the Committee), Shri Probir Roy and Shri Arun Kumar Singhania. Further, owing to the tenure completion of the existing Independent directors on March 31, 2024 the committee has been reconstituted with effect from April 1, 2024. Present members of the committee are as follows – Shri Arun Kumar Singhania (Chairman of the Committee), Shri Kulvin Suri and Smt Suparna Chakrabortti. The Executive Directors, the Statutory Auditors and the Chief Internal Auditor are amongst the permanent invitees to the Audit Committee meeting. The Company Secretary acts as the Secretary to the Committee.

Terms of Reference

- To review the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To review the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any Related Party Transactions;
 - Modified opinion(s) in the draft audit report;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;

- Reviewing with the management, the statement of users/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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

XX. The Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations: quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) and annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- it should also review (as and when it becomes applicable) 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 including existing loans / advances / investments existing as on the date.

Audit Committee Meetings held during the year ended March 31, 2024

During the year under review, four Audit Committee Meetings were held on May 19, 2023, August 03, 2023, November 07, 2023 and February 13, 2024.

Attendance at the Audit Committee Meetings

Name of Director	No. of Meetings held	No. of Meetings attended
Shri Sujit Chakravorti	4	3
Shri Ratan Lal Gaggar*	1	-
Shri Probir Roy	4	4
Shri Arun Kumar Singhanian*	3	2

* Shri Arun Kumar Singhanian was appointed as a member of the committee with effect from August 3, 2023 in place of Shri Ratan Lal Gaggar.

NOMINATION & REMUNERATION COMMITTEE

Composition of the Committee

The Nomination & Remuneration Committee has been constituted by Board in accordance with the section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Nomination & Remuneration Committee comprises of three Non-Executive Directors, two of whom are Independent Directors.

The names of the members of the Committee are Dr. Kali Kumar Chaudhuri (Chairman of the Committee), Shri Vinay Agarwal and Smt Suparna Chakrabortti. Further, owing to the tenure completion of the existing Independent directors on March 31, 2024, Shri Kulvin Suri is appointed as the Chairman of the Committee in place of Dr. Kali Kumar Chaudhuri with effect from April 1, 2024. The Company Secretary acts as the Secretary to the Committee.

Terms of Reference

The terms of reference of the Committee as specified in Regulation 19 read with Part D of Schedule II of the Listing Regulations, are as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors;
- Evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may use the services of an external agencies, if required, consider candidates from a wide range of backgrounds having due regard to diversity and consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of Independent Directors and the board of directors;
- Devising a policy on diversity of the board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

- Recommend to the board, all remuneration, in whatever form, payable to senior management.

Nomination & Remuneration Committee Meeting held during the year ended March 31, 2024

During the year under review, two Nomination & Remuneration Committee Meetings were held on May 19, 2023, and February 13, 2024.

Attendance at the Nomination & Remuneration Committee Meeting

Name of Director	No. of Meetings held	No. of Meetings attended
Dr. Kali Kumar Chaudhuri	2	2
Shri Ratan Lal Gaggar*	1	-
Shri Sujit Chakravorti*	1	1
Shri Vinay Agarwal*	1	-
Smt Suparna Chakrabortti*	1	1

* Shri Vinay Agarwal and Smt Suparna Chakrabortti were appointed as member of the committee with effect from August 3, 2023 in place of Shri Ratan Lal Gaggar and Shri Sujit Chakravorti.

Performance Evaluation criteria for Independent Directors

The following are the evaluation criteria for the Performance evaluation of the Independent Directors.

- Compliance with Articles of Association, Companies Act & other laws
- Compliance with ethical standards & code of conduct of Company
- Assistance in implementing corporate governance practices
- Rendering independent, unbiased opinion
- Attendance & presence in meetings of Board & committees
- Attendance & presence in general meetings
- Disclosure of independence, if exists
- Review of integrity of financial information & risk management
- Safeguard of stakeholders' interests
- Updation of skills and knowledge (Awareness program through presentation at the Board and Committee meetings)
- Information regarding external environment
- Raising of concerns to the Board
- Safeguarding interest of whistle blowers under vigil mechanism
- Reporting of frauds, violation etc.
- Safeguard of confidential information

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and as per requirement of Regulation 17(10) of the Listing Regulations, the Board has adopted the criteria for evaluation of its own performance, its committees and

individual directors and carried out the required annual evaluation.

In respect of each of the evaluation factors, various aspects covering general parameters in respect of all the directors and its committees have been considered and set out in the Performance Evaluation Policy in accordance with their respective functions and duties.

Self-appraisal by the directors, based on their delegated specific responsibilities has also been carried out.

Further, the Independent directors have evaluated the performance of Non-Independent Directors and the Board of Directors as a whole as per requirement of Regulation 25 (3) & (4) of the Listing Regulations.

Nomination and Remuneration Committee had also evaluated performance of each of the Directors based on the aforesaid evaluation factors.

SENIOR MANAGEMENT

Particulars of senior management including the changes therein since the close of the previous year-

- Sudeep Chitlangia – Executive Chairman (w.e.f 1st April, 2024)
- Akhilesh Chitlangia – Managing Director & CEO (w.e.f 1st April, 2024)
- Abhishek Chitlangia – President, Manufacturing (w.e.f 17th May, 2024)
- Devesh Ahluwalia – Vice President, Sales (Upto 21st May, 2024)
- Dippaman Samanta – Sr. Vice President, Sales (w.e.f 2nd May, 2024)
- Shashank Hissaria – General Manager
- Pawan Kumar Verma – Chief Financial Officer
- Komal Dhruv – Company Secretary

REMUNERATION OF DIRECTORS

Pecuniary Relationship of Non-Executive Directors

The Company has no pecuniary relationship or transactions of the Non-Executive and Independent Directors other than payment of sitting fees to them for attending Board and committee meetings.

Criteria of making payments to the Non-Executive Directors are disclosed in the Policy and the same is available on the website of the Company and can be accessed at <https://duroply.in/investor/document/policy-on-payment-of-remuneration-to-ned>



Details of remuneration to Directors

Name	Salary & Perks	Sitting Fees	Total
Shri Sudeep Chitlangia	85,84,157	-	85,84,157
Shri Akhilesh Chitlangia	56,14,383	-	56,14,383
Dr. Kali Kumar Chaudhuri	-	1,00,000	1,00,000
Shri Ratan Lal Gaggar	-	20,000	20,000
Shri Probir Roy	-	1,40,000	1,40,000
Shri Sujit Chakravorti	-	97,500	97,500
Shri Vinay Agarwal	-	60,000	60,000
Shri Arun Kumar Singhania	-	80,000	80,000
Smt Suparna Chakrabortti	-	87,500	87,500
Shri Kulvin Suri	-	20,000	20,000
Shri Vinay Agarwal	-	60,000	60,000

- Notes:**
- a) The Company does not pay any commission or performance linked incentives to any of its Directors.
- b) The company pays sitting fees to Independent Directors for attending the Board and Committee meetings. Other than that, Independent Directors have no pecuniary relationships or transactions with the Company.
- c) The aggregate annual remuneration to Promoter Executive Directors are duly approved by shareholders in the form of Special Resolution.

STAKEHOLDERS RELATIONSHIP COMMITTEE
Composition of the Committee

The Stakeholders Relationship Committee has been constituted by Board in accordance with the section 177(5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

The Stakeholders Relationship Committee consists of Dr. Kali Kumar Chaudhuri, Non-Executive Independent Director and Chairman of the Committee, Shri Vinay Agarwal, Non-Executive Director and Shri Sudeep Chitlangia, Managing Director. Further, owing to the tenure completion of the existing Independent directors on March 31, 2024 Smt Suparna Chakrabortti is appointed as the Chairman of the Committee in place of Dr. Kali Kumar Chaudhuri with effect from April 1, 2024. The Company Secretary acts as the Secretary to the Committee.

Terms of Reference

The Committee performs amongst others the role/ functions as are set out in Listing Regulations and includes:

- to consider, review and redress grievances of shareholders, debenture holders and other security

holders of the Company;

- to consider and resolve the grievances of the shareholders / Investor’s like transfer of shares, debenture, non receipt of balance sheet, non-receipt of declared dividends;
- to deal with all aspects relating to issue and allotment of shares and debentures and/ or other securities of the Company.
- to consider and approve sub-division, consolidation, transfer and issue of duplicate shares and debenture certificate;
- to delegate any of the powers mentioned above to the Company executives;
- authority to take a decision in any other matter in relation to the above functions / powers; and
- to do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws.
- to specifically look into the various aspects of interest of shareholders, debenture holders and other security holders.

Stakeholders Relationship Committee Meetings held during the year ended March 31, 2024

During the year under review, one Stakeholders Relationship Committee Meeting was held on February 13, 2024.

Attendance at Stakeholders Relationship Committee Meetings

Name of Director	No. of Meetings held	No. of Meetings attended
Dr. Kali Kumar Chaudhuri	1	1
Shri Sudeep Chitlangia	1	1
Shri Vinay Agarwal*	1	-

* Shri Vinay Agarwal was appointed as member of the committee with effect from August 3, 2023 in place of Shri Ratan Lal Gaggar.

Compliance Officer

Mrs. Komal Dhruv, Company Secretary is the Compliance Officer of the Company..

Shareholders’ Complaints

During the year ended March 31, 2024, the Company has not received any complaints from its shareholders. No complaints were pending at the beginning and at the closing of the year except those under litigation, dispute or Court orders. No complaint was received through SCORES, the web based complaint redressal system of SEBI.

INVESTOR COMMITTEE

Composition of the Committee

The Investor Committee has been constituted by Board to deal with all the activities/terms of reference of Stakeholders Relationship Committee.

The Investor Committee consists of Shri Sudeep Chitlangia, Managing Director, Komal Dhruv, Company Secretary and Dr. Kali Kumar Chaudhuri, Non-Executive Independent Director and Chairman of the Committee. Shri Kulvin Suri is appointed as the Chairman of the Committee in place of Dr. Kali Kumar Chaudhuri with effect from April 1, 2024.

Terms of Reference

The terms of reference of the Investor Committee includes the following:

- Oversee, review and approve all matters connected with transfer, transmission, split, consolidation, rematerialisation, etc.;
- Issue of duplicate share certificates in lieu of share certificates lost, defaced or destroyed;
- Issue of new share certificates consequent upon split/ consolidation of existing ones;
- Cancellation of share certificates in compliance with the applicable provisions;
- To consider and approve subdivision, consolidation, transfer and issue of duplicate shares and debenture certificate;
- To specifically look into the various aspects of interest of shareholders, debenture holders and other security holders.

Investor Committee Meetings held during the year ended March 31, 2024

During the year under review, fifteen Investor Committee Meetings were held on May 04, 2023, May 25, 2023, June 15, 2023, July 6, 2023, August 3, 2023, August 17, 2023, September 7, 2023, October 12, 2023, November 2, 2023, November 16, 2023, December 14, 2023, January 4, 2024, February 8, 2024, February 22, 2024 and March 18, 2024.

Attendance at Investor Committee Meetings

Name of Director	No. of Meetings held	No. of Meetings attended
Dr. Kali Kumar Chaudhuri	15	12
Shri Sudeep Chitlangia	15	15
Smt. Komal Dhruv	15	15

FINANCE COMMITTEE (Formerly Borrowing Committee)

Composition of the Committee

The Finance Committee has been constituted by Board in accordance with the applicable provisions of the Companies Act, 2013 and rules made thereunder and any other applicable law for the time being in force.

The Finance Committee consists of Dr. Kali Kumar Chaudhuri, Non-Executive Independent Director and Chairman of the Committee, Shri Arun Kumar Singhania, Non-Executive Independent Director and Shri Sudeep Chitlangia, Managing Director. Shri Kulvin Suri is appointed as the Chairman of the Committee in place of Dr. Kali Kumar Chaudhuri with effect from April 1, 2024. The Company Secretary acts as the Secretary to the Committee.

Terms of Reference

The Committee performs the role/functions as follows:

- To borrow monies (otherwise than by issue of debentures) within the limits approved by the Board and taking necessary actions connected therewith including refinancing for optimization of borrowing costs.
- To borrow monies by way of loan, for the purpose of refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments within the limits approved by the Board.
- To provide corporate guarantee by the Company within the limits approved by the Board.
- To approve the opening and modification in operation of bank accounts, including closure thereof.
- To approve the opening, modification and closure of trading and demat accounts.
- To empower any of the officer/officers of the Company to execute/ file the requisite particulars of charge with the Registrar of Companies from time to time.
- To avail bill collection, bill payment, Cash management services in all forms and from any Bank.
- To take decisions relating to investments and invest funds of the Company from time to time.
- Any other financial issues or matters, whether out of and incidental to these functions or not, as may be assigned by the Board.
- To file the necessary forms with the Statutory Authority.



Finance Committee Meetings held during the year ended March 31, 2024

During the year under review, four Finance Committee Meetings were held on May 02, 2023, September 13, 2023, October 9, 2023 and December 16, 2023.

Attendance at Finance Committee Meetings

Name of Director	No. of Meetings held	No. of Meetings attended
Dr. Kali Kumar Chaudhuri	4	4
Shri Sudeep Chitlangia	4	4
Smt. Sheela Chitlangia*	1	1
Shri Arun Kumar Singhania#	3	1

* Resigned w.e.f. May 19, 2023

Appointed as member of the committee with effect from August 3, 2023.

ALLOTMENT COMMITTEE

Composition of the Committee

The Allotment Committee has been constituted by the Board of Directors on July 13, 2022, to carry out all activities related to preferential issue & allotment of equity shares and / or convertible warrants.

The Allotment Committee consists of Shri Sudeep Chitlangia, Managing Director, Dr Kali Kumar Chaudhuri, Independent Director (Chairman of the Committee) and Mrs Komal Dhruv, Company Secretary. Smt Suparna Chakrabortti is appointed as the Chairman of the Committee in place of Dr. Kali Kumar Chaudhuri with effect from April 1, 2024. During the year under review, five Allotment Committee Meetings were held on October 16, 2023, December 18, 2023, February 20, 2024, February 26, 2024 and March 27, 2024.

Attendance at Allotment Committee Meetings

Name of Director	No. of Meetings held	No. of Meetings attended
Dr. Kali Kumar Chaudhuri	5	5
Shri Sudeep Chitlangia	5	5
Smt. Komal Dhruv	5	5

Terms of Reference

The terms of reference of the Allotment Committee includes the following:

- Issue and Allotment of Equity Shares and/ or Convertible Warrants.
- Co-ordinate with RTA and Depositories for allotment.
- Issue of Share / Warrant Certificate on Allotment.
- To settle any question, difficulty or doubts of the allottees that may arise in regard to the issue and allotment of shares/ warrants.
- Reference to Board of Directors in case of any question, doubts or difficulty in respect of issue, allotment, transfer of shares and any shareholders grievances, if necessary.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition of the Committee

The CSR Committee has been constituted by the Board

of Directors on May 19, 2023. It consists of Shri Sudeep Chitlangia, Managing Director and Chairman of the Committee, Shri Akhilesh Chitlangia, Executive Director & COO and Shri Probir Roy, Independent Director. Shri Kulvin Suri is appointed as a member of the Committee in place of Shri Probir Roy with effect from April 1, 2024. The Company Secretary acts as the Secretary to the Committee. During the year under review, the committee met twice on August 3, 2023 and March 27, 2024.

Attendance at CSR Committee Meetings

Name of Director	No. of Meetings held	No. of Meetings attended
Shri Probir Roy	2	2
Shri Sudeep Chitlangia	2	2
Shri Akhilesh Chitlangia	2	2

Terms of Reference

The terms of reference of the CSR Committee includes the following:

- Recommending to the Board the annual action plan and the amount to be spent on CSR activities;
- Reviewing and approving, the CSR projects/ programs to be undertaken by the Company either directly or through implementation partners as deemed suitable, during the financial year and specifying modalities for its execution and implementation schedules for the same, in terms of the CSR Policy of the Company;
- Monitoring the implementation of the CSR policy;
- Monitoring and reporting mechanism for the projects or programmes;
- Reviewing the need for impact assessment, if any, for the projects undertaken by the Company and undertaking the same if needed;
- Reviewing implementation of the action plan; and
- Carrying out/ performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.

GENERAL BODY MEETINGS

Details of the last three Annual General Meetings are as under:

Financial Year	Location	Date	Nature	Time	Number of special resolutions passed
2020-2021	Held through Video Conferencing / Other Audio Visual Means	10.09.2021	AGM	11.00 A.M.	One
2021-2022	Held through Video Conferencing / Other Audio Visual Means	28.09.2022	AGM	12.00 P.M.	One
2022-2023	Held through Video Conferencing / Other Audio Visual Means	11.08.2023	AGM	11.00 A.M.	Four

Notes:

Special Resolution passed in the previous three Annual General Meetings

The following Special Resolutions were passed at the 66th Annual General Meeting held on August 11, 2023.

- Appointment of Mr. Arun Kumar Singhania as Non-Executive Independent Director of the Company.
- Appointment of Ms. Suparna Chakrabortti as Non-Executive Independent Woman Director of the Company.
- Revision in remuneration of Mr. Sudeep Chitlangia, Managing Director of the Company.

- Revision in remuneration of Mr. Akhilesh Chitlangia, Whole-Time Director of the Company.

The following Special Resolutions were passed at the 65th Annual General Meeting held on September 28, 2022.

- Re-appointment of Mr. Sudeep Chitlangia as the Managing Director of the Company, liable to retire by rotation and fixing his remuneration.

The following Special Resolutions were passed at the 64th Annual General Meeting held on September 10, 2021.

- Smt. Sheela Chitlangia, being longest in office, retires by rotation, and being eligible, offers herself for re-appointment as Director.

Extra Ordinary General Meeting

During the financial year 2023-24, one extra ordinary general meeting was held on 9th March, 2024.

The following Special Resolutions were passed at the Extra Ordinary General Meeting held on 9th March, 2024.

- Issue of Equity Shares and Warrants convertible into Equity Shares on a preferential basis to Non-Promoters.
- Appointment of Mr. Kulvin Suri (DIN: 03640464) as Non-Executive Independent Director of the Company.
- Re-designation and Appointment of Mr. Sudeep Chitlangia (DIN: 00093908) as an Executive Chairman, in the category of a Whole-Time Director, for a fresh term of three (3) years commencing from April 1, 2024.
- Re-designation and Appointment of Mr. Akhilesh Chitlangia (DIN: 03120474) as the Managing Director and Chief Executive Officer of the Company, for a fresh term of three (3) years commencing from April 1, 2024.

Postal Ballot

During Financial Year 2023-24, the Company has not passed any Special resolution(s) through the Postal Ballot. Approval, if any required through, Postal Ballot during the Financial Year 2024-25 will be conducted in accordance with applicable law.

DISCLOSURES

- There is no materially significant related party transaction entered into by the Company that may have potential conflict with the interests of the Company at large. Details of the related party transactions are presented in the notes to the financial statements. The Company's policy on related party transactions is available on Company website at www.duroply.in.
- There were no instances of non-compliance nor have any penalties or strictures been imposed by Stock Exchange or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.
- The Company has followed the applicable guidelines of Indian Accounting Standards as specified under

section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- d) The Company has adopted Vigil Mechanism/Whistle blower policy. No personnel were denied access to the Audit Committee.
- e) The Company has complied with Secretarial Standards on Board Meeting and General Meeting.
- f) 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.
- g) The Company does not have any subsidiary.
- h) The Company has complied with all the mandatory requirements of the listing regulations including those specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations and sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.
- i) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- i. Number of complaints filed during the financial year – NIL
- ii. Number of complaints disposed of during the financial year – NIL
- iii. Number of complaints pending as on end of the financial year – NIL
- j) During the Financial Year 2023-24, the Company has not provided any loans and/or advances to firms/companies in which Directors are interested.
- k) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):

The Company has received Rs. 8.63 crores during the year on conversion of 912808 Warrants into Equity Shares pursuant to Preferential Issue done in September, 2022. The amount has been utilised for the objective for which the preferential issue was approved by the members on 8th August, 2022 i.e to meet the funding requirements of its business activities, strengthen balance sheet, maintain adequate liquidity, pursue growth opportunities and/or for general corporate purposes.

Further the company has received Rs 28.90 crores during the year on issue and allotment of 1177336

Equity shares and 985220 warrants pursuant to Preferential Issue done in March, 2024. Rs 15.94 crores has been utilised for the objective for which the preferential issue was approved by the members on 9th March, 2024 i.e to meet the working capital requirements and/or for general corporate purposes. Funds unutilized as on March 31, 2024 is Rs. 12.96 crores.

MEANS OF COMMUNICATION

- a) Quarterly, half yearly and annual financial results of the Company are communicated to the Stock Exchanges immediately after they are approved by the Board.
- b) Financial results are normally published in all editions of the Financial Express in English language and in Duranto Barta in Bengali language.
- c) Financial results of the company are displayed on its website www.duroply.in.
- d) Presentations on the quarterly/ annual financial results are filed with the Stock Exchange and also displayed on its website www.duroply.in.
- e) Media Releases are sent to Stock Exchange, as applicable under Regulation 30 of SEBI(LODR), and are also displayed on the Company's website www.duroply.in

Fee to Statutory Auditor

Total fees (excluding reimbursement of expenses) for all services paid by the Company to Statutory Auditor was Rs. 6,50,000/-

DISCRETIONARY REQUIREMENTS

- The quarterly financial results are published in the newspapers of wide circulation and not sent to individual shareholders. Further the financial results are available on the website of the Company and of Stock Exchange where the shares of the Company is listed i.e., BSE Limited.
- The Auditors' opinion on the Financial Statements is unmodified.
- 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.

SHAREHOLDER INFORMATION

General Information

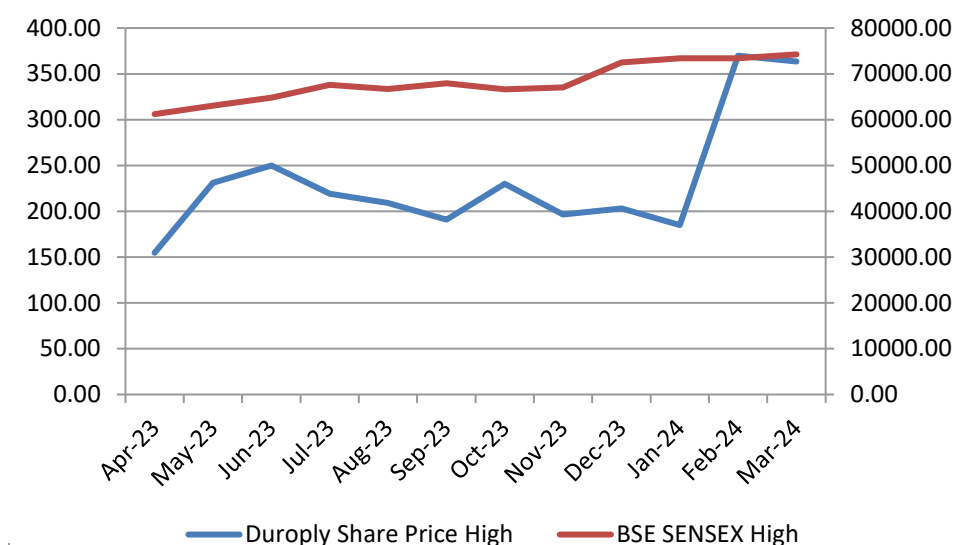
I.	Annual General Meeting	As per the Annual General Meeting Notice
	• Date and time	
	• Venue	
II.	Financial Calendar for the year 2024-2025	
	Particulars of Quarter	Tentative Dates
	Results for the first quarter	On or before second week of August
	Results for the second quarter	On or before second week of November
	Results for the third quarter	On or before second week of February
	Annual Audited Results	On or before last week of May
III.	Book Closure Date	As provided in Annual General Meeting Notice
IV.	Dividend Payment Date	Not Applicable
V.	Listing on Stock Exchange	BSE Limited Corporate Relationship Department Rotunda Building, 1st Floor, New Trading Wing, P.J. Towers, Dalal Street, Mumbai-400 001
VI.	Scrp Code	516003

VII. Market Price Data

Month	Stock Prices on BSE		BSE SENSEX	
	High	Low	High	Low
April 2023	154.70	123.30	61,209.46	58,793.08
May 2023	231.00	144.15	63,036.12	61,002.17
June 2023	250.00	192.85	64,768.58	62,359.14
July 2023	219.25	188.05	67,619.17	64,836.16
August 2023	208.90	178.00	66,658.12	64,723.63
September 2023	191.00	172.00	67,927.23	64,818.37
October 2023	229.95	177.65	66,592.16	63,092.98
November 2023	196.45	164.15	67,069.89	63,550.46
December 2023	203.00	151.05	72,484.34	67,149.07
January 2024	185.00	158.10	73,427.59	70,001.60
February 2024	369.80	167.70	73,413.93	70,809.84
March 2024	363.40	280.00	74,245.17	71,674.42

Performance in comparison to broad-based indices viz., BSE Sensex.

DIL Share Price Movement v/s BSE Sensex April 2023 – March 2024



VIII. Share Transfer System

M/s. Maheshwari Datamatics Private Limited are the Share Transfer Agents/Registrars (both for physical as well as demat segments) of the Company. The Board of Directors of the Company has authorized Shri Sudeep Chitlangia, Managing Director and Smt. Komal Dhruv, Company Secretary of the Company to approve all valid share transfer requests on regular basis and accordingly all valid transfers are effected within a fortnight. Details of

approved share transfers are submitted to the Stakeholders Relationship Committee.

IX. Credit Rating

CARE Rating Ltd. has given the following credit ratings to the Company at present.

Sr. No.	Particulars	Credit rating
1	Long Term Bank Facilities	CARE BB; Stable
2	Short Term Bank Facilities	CARE A4

X. Distribution of Shareholding as on March 31, 2024

No. of shares of Rs.10 each	No. of share holders	% of Share holders	No. of shares held	Shareholding %
1-500	6734	93.0625	732272	7.4244
501-1000	204	2.8192	162309	1.6456
1001-2000	122	1.6860	182293	1.8482
2001-3000	38	0.5252	96120	0.9745
3001-4000	20	0.2764	69348	0.7031

XI. Categories of Shareholding as on March 31, 2024

Category of Shareholders	No. of Shares held	Percentage
Indian Promoters	5426070	55.01
Banks and Mutual Funds	10700	0.11
Body Corporates	1234799	12.52
Individuals/HUF/Trusts	3166322	32.10
Clearing Members	1700	0.02
Non- Resident Indian	23287	0.24
Unclaimed Shares Account	200	0.00
Total	9863078	100.00

XII. Dematerialisation of shares

The Company's shares are available for Dematerialisation and liquidity with NSDL and CDSL. The ISIN allotted to the Company's Equity Shares is INE932D01010. As on March 31, 2024, 81.92% of the Share Capital has been dematerialised.

XIII. Outstanding GDR/ADR/Warrants

The company has allotted 9,85,220 convertible warrants on 27th March, 2024. The warrant holders has the option of applying for and being allotted equity shares of the company at a face value of Rs. 10/- each within 18 months from the date of allotment of the warrants.

XIV. Plant locations

Plywood Unit Rajkot Gondal Highway
Shapar - 360024, Dist. Rajkot, Gujarat

Registered Office:

9, Parsee Church Street,
Kolkata – 700001

Date: May 17, 2024

Place: Kolkata

For and on behalf of the Board

AKHILESH CHITLANGIA

Managing Director & CEO

(DIN: 03120474)

SUPARNA CHAKRABORTTI

Director

(DIN: 07090308)

XV. Address for Correspondence

(i) Registrar & Share Transfer Agent
Maheshwari Datamatics Private Limited
23 R N Mukherjee Road,
5th Floor Kolkata – 700001
Phone: (033) 2243 5029/2243 5809
Fax : (033) 2248 4787
E-mail: mdpldc@yahoo.com

(ii) Company Secretary & Compliance Officer
Mrs. Komal Dhruv
113 Park Street, North Block, 4th Floor,
Kolkata- 700016
Phone: (033) 2265-2274
E-mail: komal.desai@duroply.com

XVI. E-mail id for investor grievances

investors@duroply.com

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 of
Duroply Industries Limited
9, Parsee Church Street
Kolkata – 700001
West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Duroply Industries Limited having CIN : L20211WB1957PLC023493 and having registered office at 9, Parsee Church Street, Kolkata – 700001, 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Probir Roy*	00033045	09.05.2011
2.	Ratan Lal Gaggar*	00066068	28.06.1976
3.	Sujit Chakravorti*	00066344	27.09.2002
4.	Sudeep Chitlangia	00093908	27.05.1988
5.	Kali Kumar Chaudhuri*	00206157	24.01.2006
6.	Akhilesh Chitlangia	03120474	30.05.2022
7.	Vinay Agarwal	06431086	09.08.2022
8.	Arun Kumar Singhanian	00160194	19.05.2023
9.	Suparna Chakrabortti	07090308	19.05.2023
10.	Kulvin Suri	03640464	13.02.2024

*Ceased to be directors w.e.f. 01.04.2024

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 has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also 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.

Signature :

Name : CS Atul Kumar Labh

Membership No. : FCS 4898

CP No. : 3238

PRCN : 1038/2020

UIN : S1999WB026800

UDIN : F004848F000390772

Date: May 17, 2024

Place: Kolkata

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY’S CODE OF CONDUCT

On the basis of the written declarations received from members of the Board and Senior Management Personnel in terms of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, it is hereby certified that both the Members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the respective provisions of the Code of Conduct of the Company as laid down by the Board for the financial year ended March 31, 2024.

Date: May 17, 2024
Place: Kolkata

AKHILESH CHITLANGIA
Managing Director & CEO
(DIN: 03120474)

Annexure – 6

INDEPENDENT AUDITOR’S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Duroply Industries Limited

We, S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP, Chartered Accountants, the Statutory Auditors of Duroply Industries Limited (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”).

Managements’ Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor’s Responsibility

Our responsibility was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2024.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note

on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the “ICAI”), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on Use

The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No. - 306033E/E300272

CA VIVEK AGARWAL
Partner
Membership No - 301571
UDIN: - 24301571BKBFIQ3289

Date: May 17, 2024
Place: Kolkata

Annexure – 7

Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

CERTIFICATION

To,
The Members of
Duroply Industries Limited

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2024 and that to the best of our knowledge and belief, we state that:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 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. We further states that to the best of our knowledge and belief, there are no transactions entered into by company during the financial year ended March 31, 2024, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls over the financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
- there has been no significant change in internal control over financial reporting during the financial year.
 - there has been no significant changes in the accounting policies during the financial year, except to the extend, if any, disclosed in the notes to the financial statements; and
 - there has been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control systems over financial reporting.

For Duroply Industries Limited

(AKHILESH CHITLANGIA) (PAWAN KUMAR VERMA)
Managing Director & CEO Chief Financial Officer
(DIN: 03120474)

Date: May 17, 2024
Place: Kolkata

Annexure – 8

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2024

[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
Duroply Industries Limited
9, Parsee Church Street
Kolkata – 700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by DUROPLY INDUSTRIES LIMITED (CIN: L20211WB1957PLC023493) having its Registered Office at 9, Parsee Church Street, Kolkata – 700 001 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31.03.2024, 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.

Auditor's Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate with the size of the Company, based on the secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding 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. I believe that the processes and practices followed provide a reasonable basis for my opinion.

I have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees, of the Board, of the

members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny.

Wherever required, I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of compliance procedures on test basis.

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

I report that, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2024 according to the provisions of:

- The Companies Act, 2013 ('the Act') and the rules made there under;
- Secretarial Standards as issued by The Institute of Company Secretaries of India;
- Listing Agreement(s) with the Stock Exchange(s);
- The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 :

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (ii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

The laws specifically applicable to the Company where compliance procedure are being observed as per the representations made by the Management are:

- (i) Factories Act, 1948;
- (ii) Relevant statutes prevalent in the State of West Bengal and Gujarat, where the Registered office/factory of the Company is situated, amongst others;
- (iii) Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder;
- (iv) Air (Prevention & Control of Pollution) Act, 1981 and Rules made thereunder,

(v) The Environment (Protection) Act, 1986;

During the period under review, based on my examination and verification of the books, papers, minutes, certificates, forms and returns which were required to be examined by me for this report and according to the information and explanations provided to me in the course of my audit by the Company, I report that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that:

- (a) The status of the Company during the financial year has been that of a Listed Public Company.
- (b) During the audit period, the Company has effected the following activities/events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:
 1. Resignation of Smt Sheela Chitlangia (DIN: 00174354) as Director w.e.f. 19.05.2023;
 2. Appointment of Mr. Arun Kumar Singhania (DIN: 00160194) as an Independent Director for a term of five consecutive years w.e.f. 19.05.2023;
 3. Appointment of Ms. Suparna Chakrabortti (DIN: 07090308) as an Independent Director for a term of five consecutive years w.e.f. 19.05.2023;
 4. Appointment of Mr. Kulvin Suri (DIN: 03640464) as an Independent Director for a term of five consecutive years w.e.f. 13.02.2024;
 5. Constitution of Corporate Social Responsibility Committee;
 6. Re-designation and appointment of Mr. Sudeep Chitlangia (DIN: 00093908) as an Executive Chairman, in the category of a Whole-Time Director, for a fresh term of three (3) years commencing from April 1, 2024 and revision of his remuneration;
 7. Re-designation and appointment of Mr. Akhilesh Chitlangia (DIN: 03120474) as the Managing Director and Chief Executive Officer of the company, for a fresh term of three (3) years commencing from April 1, 2024 and revision of his remuneration;
 8. Issue of 11,77,336 equity shares and 9,85,220 warrants convertible into fully paid up equity shares of the Company having a face value of Rs. 10/- at a price of Rs. 203/- by a preferential issue on private placement basis.

9. Recording the completion of tenure as an Independent Director, of Mr. Ratan Lal Gaggar (DIN: 00066068), Mr Sujit Chakravorti (DIN: 00066344), Mr Probir Roy (DIN: 00033045) and Mr Kali Kumar Chaudhuri (DIN: 00206157), as on 31.03.2024.
- (b) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors/CEO, 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.
- (c) As informed to me, 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.
- (d) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. There were no such views recorded during the period under review.

- (e) As confirmed and reported to me during the conduct of this secretarial audit by the Company's authorized representatives, no creditor has filed cases against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review. In respect of dues beyond the stipulated period, if any, to MSME vendors the requisite form is pending to be filed with the MCA;
- (f) 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.

(CS Sumantra Sinha)
Practising Company Secretary
ACS 11247/CP No.:15245

Place: Kolkata
Date: 17th May, 2024 PR: 1421/2021
UDIN: A011247F000370155



Annexure – 9

Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule — 8(3) of the Companies (Accounts) Rules, 2014 and forming part of Directors’ Report.

(A) CONSERVATION OF ENERGY

i. Steps taken or impact on conservation of energy

- Installations of Clear Roofing sheet for maximum use of Natural Light in the whole plant and reduced dependency on LED lighting
- Optimization of seasoning cycle to reduce power consumption and quality.

ii. Steps taken for utilizing alternate sources of energy

The Company is constantly taking steps to identify various alternatives sources of energy at its manufacturing unit. In pursuit of its goal towards savings in energy cost, the Company while procuring new machinery under phased modernization/ replacement program takes into account its impact on energy conservation.

iii. Capital Investment on energy conservation equipments

During the year review, there was no material Capital Investment.

(B) TECHNOLOGY ABSORPTION

i. The efforts made towards technology absorption

- Company on continuous basis modifies and upgrades the manufacturing process / parameters which resulted into cost effectiveness, better productivity in terms of quantity without compromising quality of the products.
- Development of new products, design, concept and processes at regular intervals.
- Modification of manufacturing process.
- Company installed automated L-type Panel Jointer to achieve higher efficiency, quality products and lesser defect due to low manual work.
- Company automated the Dipping line of material to achieve higher efficiency and lesser defect due to Handling

ii. The benefits derived like product improvement, cost reduction, product development or import substitution

The Company has derived various benefits from new and improved technology and other activities i.e. Product (quality) improvement, reduced cost of final products, Reduction in process time, Conservation of energy, Smooth processing, conservation of environment, Increase in customer base, Increase in the brand value of Company, development of eco-friendly processes result in less quantity of effluent and emission etc.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

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

iv. The expenditure incurred on Research and Development

During the year under review, the Company has not incurred any material capital expenditure on research and development. The Company continuously incurs expenses for improving the processes, product quality, etc. they cannot be specifically identified as research & development expenses. Thus, the same has not been shown separately.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

EARNINGS AND OUTGO:	(Rs. in Lakhs)
(i) Foreign Exchange earnings	NIL
(ii) Foreign exchange outgo (imports and other expenditure in foreign currency)	2325.57

Registered Office:

9, Parsee Church Street,
Kolkata – 700001

Date: May 17, 2024

Place: Kolkata

For and on behalf of the Board

AKHILESH CHITLANGIA

Managing Director & CEO

(DIN: 03120474)

SUPARNA CHAKRABORTTI

Director

(DIN: 07090308)

Independent Auditor’s Report

To the Members of

Duroply Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Duroply Industries Limited (“the Company”), which comprises the Balance sheet as at 31st March 2024, and the Statement of Profit and Loss (Including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policy information and other explanatory information for the year ended on that date (hereinafter referred to as the “financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, read with our comments in Key Audit Matter paragraph below, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, the profit and total comprehensive profit, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, 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 is sufficient and appropriate to provide a basis for our opinion on financial Statements

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matter	Auditor’s Response
1.	Allowance for Credit Losses The company determines the allowance for credit losses based on historical loss experience adjusted to reflect the current and future economic conditions. In calculating the expected credit loss, the company has considered the credit reports and other related credit information for its customers to estimate the probability of default in future. We identified allowance for credit losses as a key audit matter because the Group exercises significant judgment in calculating the expected credit losses. Refer Notes 10 to the financial statements.	Principal Audit Procedures Our audit procedures related to the allowance for credit losses for trade receivables included the following, among others: We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions (2) completeness and accuracy of information used in the estimation of probability of default and (3) computation of the allowance for credit losses. For a sample of customers: We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information. We tested the mathematical accuracy and computation of the allowances by using the same input data used by the company.

S. No	Key Audit Matter	Auditor's Response
2.	<p>Conversion of Share Warrants and issue of Equity Share on preferential basis</p> <p>During the financial year 2022-2023, the Company had issued convertible Share warrant 11,91,032 on preferential basis at Rs. 126 each, out of which 2,78,224 share warrant had been converted into equity share during FY 2022-23 and the balance 9,12,808 share warrant were converted into Equity Shares in FY 23-24.</p> <p>During the financial year 2023-2024, the Company has issued convertible Share warrant 9,85,220 on preferential basis at Rs 203 each. Consideration received towards these warrants which are pending for conversion (25% of Issue price of Rs 203/-) was depicted in 'Other Equity' which subsequently was utilized for conversion into equity.</p> <p>Further the company has also issued 11,77,336 equity shares on preferential basis during the year at a price of Rs 203.</p> <p>As the conversion of Share warrants and issue of equity share by the company during the financial year 2023-2024, has the effect of enhancing the Equity of the Company the same is considered to be a key audit matter.</p> <p>Refer Notes 17 and 18 to the Financial Statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedure includes gaining an understanding of the process of issue of share warrants followed by the company, to include amongst others:</p> <ol style="list-style-type: none">1. Authorization by the Memorandum and Articles of Association of the Company;2. Passing of resolution in a validly convened and constituted Board meeting of the company.3. Passing of resolution in a validly convened and constituted general meeting of the company and necessary regulatory filing done by the Company. Obtaining permission from the NSE/BSE Ltd. under SEBI (Listing obligations and Disclosure requirements) Regulations, 2015.4. We assessed the adequacy of disclosures in the financial statements.5. We checked that allotment money are received in full and in a separate bank account. Also, checked that funds are flowing from the bank account of allottee only.

Emphasis of Matter

We draw attention to note 39.2, where the company has ascertained on the basis of legal opinion on Income Tax Cases amounting to Rs. 5827.57 Lakh, which has a remote possibility of occurrence. Therefore, the same is not contingent liability.

Our opinion is not modified in respect of above matter.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon.

The Annual report is expected to be made available with us after the date of Auditor's Report.

Our opinion on the 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 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 in the 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 financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act ("the Act") with respect to the preparation of these financial statements that gives a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act 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 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 gives a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with management, we determine those matters that were of most significance in the audit of the 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in Equity and the Statement of Cash flows comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations which would impact financial position. (Refer Note 39.2 to the financial statement)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as referred to Note 39.10 to the Financial Statement, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; (b) The Management has represented, that, to the best of its knowledge and belief, other than as referred to Note No. 39.11 to the Financial Statement, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner

whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

- v. No dividend has been paid or declared by the company during the year.
- vi. Based on our examination which includes test checks, the co has used an accounting software for maintaining its books of accounts which has a feature of recording of audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with.

For S K Agrawal and Co Chartered Accountants LLP
Chartered Accountants
Firm Registration No. – 306033E/E300272

CA VIVEK AGARWAL
Partner
Membership No - 301571
UDIN: 24301571BKBFIR8302

Place: Kolkata
Date: May 17, 2024

Annexure – A to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditor’s Report to the members of Duroply Industries Limited (the Company’) on the Financial Statements for the year ended on 31st March 2024. We report that:

- I. In respect of the Company’s property, plant and equipment, right-of-use assets and intangible assets
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were physically verified by the management during the year and according to the information and explanations given to us, no material discrepancies were noticed on such 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 information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the Financial Statements, the lease agreements are in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- II. (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed during such physical verification.
 - (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Quarterly returns filed by the company to banks against sanctioned working capital limits are in agreement with the books of account of the company.
- III. According to information and explanations given to us and the records examined by us the company has not provided any security or grant any advance in the nature of loan secured or unsecured to any companies, firms, Limited Liability Partnerships and other parties, during the year. The company has made investments in companies and grant secured and unsecured loan and provide guarantee to the companies and other parties in respect of which the requisite information is as below:
 - (a) According to information and explanations given to us the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company’s interest.
 - (b) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
 - (c) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
 - (d) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
 - (e) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(e) is not applicable.
- IV. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- V. The Company has not accepted any deposit or amounts which are deemed to be deposits with the meaning of sections 73 to 76 of the companies Act and the rules made thereunder, to extent applicable. Hence, reporting under clause 3(v) of the Order is not applicable.

VI. According to information and explanations given to us and the records examined by us, the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, are not applicable to the company, accordingly reporting under clause 3(vi) of the Order is not applicable.

VII. (a) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2024 for a period of more than six months from the date of becoming payable.

Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Amount Paid (₹ in Lakhs)	Amount Due (₹ in Lakhs)	Period to which the matter pertains	Forum where matter is pending
Delhi Sales Tax Act,1975	Sales tax	77.87	-	77.87	1990-91	Additional commissioner of sales tax
Central Sales Tax Act,1956	Sales tax	47.52	-	47.52	1990-91	Additional commissioner of sales tax
Income Tax Act,1961	Income Tax	0.87	-	0.87	AY 1985-86	Income tax Appellate Tribunal
Central Goods and Service Tax Act 2017	CGST	59.62	37.43	22.19	July 2017	Assistant Commissioner

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) According to information and explanations given to us the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to information and explanations given to us and on the basis of examination of records of the company, the term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the

(b) According to the information and explanations given to us, the details of statutory dues which has not been deposited on account of any disputed and were outstanding as at 31st March, 2024 are given below.

Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanation given to us and on the basis of examination of relevant records the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has made preferential allotment or private placement of shares and convertible debentures (fully or partly or optionally) and the requirements of section 42

and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. According to information and explanations given to us and the records examined by us the company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not

applicable.

(b) The company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion, there is no core investment company within the Group (as defined in the regulation defined by Reserve Bank of India) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit but the same has been incurred in previous year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. Corporate Social Responsibility under section 135 of the Companies Act, 2013 is applicable to the company. However, the company incurred losses in previous years therefore no amount is required to be spend under section 135 of Companies Act, 2013 and consequently reporting under this clause is not applicable.

For S K Agrawal and Co Chartered Accountants LLP
Chartered Accountants
Firm Registration No. – 306033E/E300272

CA VIVEK AGARWAL
Partner
Membership No - 301571
UDIN: 24301571BKBFIR8302

Place: Kolkata
Date: May 17, 2024

Annexure – B to the Independent Auditors’ Report

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 Duroply Industries Limited (“the Company”) as of 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit

evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization 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 Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting



to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all

material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S K Agrawal and Co Chartered Accountants LLP
Chartered Accountants
Firm Registration No. - 306033E/E300272

CA VIVEK AGARWAL
Partner
Membership No - 301571
UDIN: 24301571BKBFIR8302

Place: Kolkata
Date: May 17, 2024

Balance Sheet as at 31st March, 2024

(₹ in Lakhs)					
Particulars	Note No.	As at 31.03.2024		As at 31.03.2023	
I. ASSETS					
(1) Non - Current Assets					
(a) Property, plant and equipment	3	10,278.02		10,142.12	
(b) Capital Work-in-Progress	3	23.11		23.03	
(c) Other Intangible assets	4	55.89		60.84	
(d) Financial Assets					
Investments	5	60.04		1.48	
Loans	6	651.76		651.76	
Other Financial Assets	7	83.17		43.76	
(e) Other Non - Current Assets	8	27.81	11,179.80	56.48	10,979.47
(2) Current assets					
(a) Inventories	9	8,761.59		7,190.90	
(b) Financial Assets					
Trade receivables	10	3,450.33		2,863.79	
Investments	5	801.05		-	
Cash and Cash Equivalents	11	79.26		9.42	
Other Bank Balances	12	330.70		333.62	
Other Financial Assets	13	107.48		67.21	
Others	14	115.81		86.35	
(c) Current Tax Assets (Net)	15	46.98		48.96	
(d) Other current assets	16	1,099.33	14,792.53	877.75	11,478.00
TOTAL			25,972.33		22,457.47
II. EQUITY AND LIABILITIES					
(1) Equity					
(a) Equity Share capital	17	986.59		777.58	
(b) Other Equity	18	11,657.86	12,644.45	8,064.39	8,841.97
(2) Non - current liabilities					
(a) Financial Liabilities					
Borrowings	19	827.23		579.48	
Lease Liabilities	20	485.16		329.91	
(b) Provisions	21	615.55		517.20	
(c) Deferred Tax Liabilities (Net)	22	839.34		839.19	
(d) Other Non - Current Liabilities	23	45.28	2,812.56	56.13	2,321.91
(3) Current liabilities					
(a) Financial Liabilities					
Borrowings	24	3,276.12		3,566.13	
Lease Liabilities	25	176.62		166.34	
Trade payables	26				
Total Outstanding dues of Mirco Enterprises and Small Enterprises		1,726.43		-	
Total Outstanding dues of Creditors other than Mirco Enterprises and Small Enterprises		4,676.51		6,390.17	
Other Financial Liabilities	27	366.66		966.39	
(b) Other current liabilities	28	286.42		197.94	
(c) Provisions	29	6.56	10,515.32	6.62	11,293.59
Total			25,972.33		22,457.47
Material Accounting Policy Information	2				
Other Disclosures	39				

The accompanying notes 1 to 39 are an integral part of the Financial Statements.

As per our report of even date attached.

On behalf of the Board

For S K Agrawal And Co Chartered Accountants LLP
Chartered Accountants
(F.R. NO. 306033E/E300272)

PAWAN KUMAR VERMA
Chief Financial Officer

AKHILESH CHITLANGIA
Managing Director & CEO
DIN: 03120474

CA VIVEK AGARWAL
(Membership No. 301571)
Partner
Place of Signature: Kolkata
Date : 17th May 2024

KOMAL DHURV
Company Secretary

SUPARNA CHAKRABORTTI
Independent Director
DIN: 07090308



Statement of Profit and Loss

for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2024	Year ended 31st March, 2023
I. Revenue from operations			
Sale of goods	30	32,267.47	30,233.86
Other operating Income	31	74.83	12.29
Total Revenue from Operations		32,342.30	30,246.15
II. Other income	32	90.54	203.85
III. Total Income (I+II)		32,432.84	30,450.00
IV. Expenses:			
Cost of materials consumed	33	12,044.21	12,551.48
Purchases of stock-in-trade	34	10,606.61	7,592.26
Changes in inventories of finished goods,			
Work -in-progress and stock-in-trade	35	(1,197.16)	(543.66)
Employee benefits expense	36	3,220.93	2,864.51
Finance costs	37	814.44	711.47
Depreciation and amortization expense	3 & 4	370.12	337.71
Other expenses	38	6,472.79	6,144.44
Total Expenses		32,331.94	29,658.21
V. Profit/(Loss) before exceptional items and tax (III - IV)		100.90	791.79
VI. Exceptional items (Refer Note No. 39(14))		-	-
VII. Profit/(Loss) before tax (V-VI)		100.90	791.79
VIII. Tax expense :			
Current tax		0.00	-
Deferred tax		0.15	269.22
IX. Profit/(Loss) for the year (VII - VIII)		100.75	522.57
X. Other Comprehensive Income			
i) Items that will not be reclassified to Profit and Loss			
- Remeasurement of Defined Benefit Liabilities		50.86	13.26
XI. Total Comprehensive Income for the year (IX - X)		49.89	509.31
Earnings per equity share of ₹ 10/- each			
Basic		1.25	7.40
Diluted		1.25	7.39
Material Accounting Policy Information	2		
Other Disclosures	39		

The accompanying notes 1 to 39 are an integral part of the Financial Statements.

As per our report of even date attached.

On behalf of the Board

For S K Agrawal And Co Chartered Accountants LLP
Chartered Accountants
(F.R. NO. 306033E/E300272)

PAWAN KUMAR VERMA
Chief Financial Officer

AKHILESH CHITLANGIA
Managing Director & CEO
DIN: 03120474

CA VIVEK AGARWAL
(Membership No. 301571)
Partner
Place of Signature: Kolkata
Date : 17th May 2024

KOMAL DHURUV
Company Secretary

SUPARNA CHAKRABORTTI
Independent Director
DIN: 07090308

Statement of Changes in Equity

for the year ended 31st March, 2024

A) Equity Share Capital

1. Current Reporting Period

Particulars	Balance as the beginning of current reporting period		Changes in Equity Share Capital During the year		Balance as the end of current reporting period	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Equity Shares of ₹ 10 each subscribed and fully paid	77,72,934	777.30	20,90,144	209.01	98,63,078	986.31

2. Previous Reporting Period

Particulars	Balance as the beginning of current reporting period		Changes in Equity Share Capital During the year		Balance as the end of current reporting period	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Equity Shares of ₹ 10 each subscribed and fully paid	64,60,742	646.08	13,12,192	131.22	77,72,934	777.30

B) Other Equity

1. Current Reporting Period

(₹ in Lakhs)

Particulars	Reserves and Surplus				Money Received against Share Warrant	Total
	Securities Premium	General Reserve	Retained Earning	Other Comprehensive Income		
Opening as at 1st April 2023	2,276.29	1,216.84	4,283.72	-	287.54	8,064.39
Profit for the year	-	-	100.75	-	-	100.75
Conversion of warrant to Equity during the year					(287.54)	(287.54)
Received during the year	3,331.12				500.00	3,831.12
Remeasurment of Defined Benefit Plans	-	-	-	(50.86)	-	(50.86)
Transfer to Retained Earning	-	-	(50.86)	50.86	-	-
Balance as at 31st March 2024	5,607.41	1,216.84	4,333.61	-	500.00	11,657.86

2. Previous Reporting Period

(₹ in Lakhs)

Particulars	Reserves and Surplus				Money Received against Share Warrant	Total
	Securities Premium	General Reserve	Retained Earning	Other Comprehensive Income		
Opening as at 1st April 2022	754.15	1,216.84	3,774.41	-	-	5,745.40
Profit for the year	-	-	522.57	-	-	522.57
Received during the year	1,522.14	-	-	-	287.54	1,809.68
Remeasurment of Defined Benefit Plans	-	-	-	(13.26)	-	(13.26)
Transfer to Retained Earning	-	-	(13.26)	13.26	-	-
Balance as at 31st March 2023	2,276.29	1,216.84	4,283.72	-	287.54	8,064.39

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached.

On behalf of the Board

For S K Agrawal And Co Chartered Accountants LLP
Chartered Accountants
(F.R. NO. 306033E/E300272)

PAWAN KUMAR VERMA
Chief Financial Officer

AKHILESH CHITLANGIA
Managing Director & CEO
DIN: 03120474

CA VIVEK AGARWAL
(Membership No. 301571)
Partner
Place of Signature: Kolkata
Date : 17th May 2024

KOMAL DHURUV
Company Secretary

SUPARNA CHAKRABORTTI
Independent Director
DIN: 07090308



Cash Flow Statement for the year ended 31st March, 2024

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before tax	100.90	791.79
Adjustments for:		
Depreciation and Amortisation expenses	370.12	337.71
Provision for fair value of Investments	(3.64)	0.08
Unspent Liabilities Written Back	(5.40)	(4.11)
Government Grant	(10.85)	(10.85)
Loss/(Profit) on Sale of Property, Plant and Equipment	-	(31.45)
Interest Income	(59.32)	(58.79)
Finance Costs	814.44	711.47
Dividend Income	(1.02)	-
Operating Profit/(Loss) before Working Capital Changes	1,205.23	1,735.85
Decrease/(Increase) in Non Current Other Financial Assets	(39.41)	73.13
Decrease/(Increase) in Other Current Financial Assets	(40.27)	(0.74)
Decrease/(Increase) in Other Non Current Assets	28.67	(47.70)
Decrease/(Increase) in Other Current Assets	(221.58)	(330.71)
Decrease/(Increase) in Inventories	(1,570.69)	(809.71)
Decrease/(Increase) in Trade Receivables	(586.54)	(860.64)
Increase/(Decrease) in Long Term Provisions	47.99	90.21
Increase/(Decrease) in Short Term Provisions	(0.06)	1.51
Increase/(Decrease) in Other Financial Liabilities	(600.33)	(24.86)
Increase/(Decrease) in Other Current Liabilities	88.48	(205.20)
Increase/(Decrease) in Trade Payables	12.77	682.01
Cash generated from Operating activities	(1,675.74)	303.15
Direct Taxes Paid (Net of Refund)	1.97	(11.85)
Net Cash Flow from/(used in) Operating Activities	(1,673.77)	291.30
B. Cash Flow from Investing Activities		
Additions to Property, Plant and Equipment	(146.60)	(258.28)
Additions to Intangible Fixed Assets	(7.38)	(23.67)
Addition to Fixed Deposits	2.92	(23.54)
Sale of Property, Plant and Equipment	-	40.29
Investments	(855.97)	-
Interest Income	29.86	27.86
Dividend Income	1.02	
Net Cash flow from/(used in) Investing activities	(976.15)	(237.34)
C. Cash Flow from Financing Activities		
Proceeds from Equity Shares	3,540.12	1,653.36
Proceeds from Convertible Warrants	212.46	287.54
Proceeds from Working Capital Loan	(39.15)	(200.39)
Proceeds from Other Short Term Borrowings	(120.00)	(662.00)
Proceeds from Term Loan	116.89	(307.20)
Principal Paid on Lease Liabilities	(176.72)	(142.34)
Interest Paid on Lease Liabilities	(74.45)	(80.53)
Interest Paid other than on Lease Liabilites	(562.06)	(486.24)
Other Borrowing Costs	(177.33)	(150.49)
Net Cash Flow from/(Used in) Financing Activities	2,719.76	(88.29)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	69.84	(34.33)
Opening Cash and Cash Equivalents	9.42	43.75
Closing Cash and Cash Equivalents as per Note No. 11	79.26	9.42

Cash Flow Statement for the year ended 31st March, 2024

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Components of Cash and Cash Equivalents as per Note No. 11		
Balances with banks in Current Account	2.48	1.91
Cheques, drafts on hand	73.38	4.02
Cash on hand	3.40	3.49
Total	79.26	9.42

Note:

- 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) Figures in brackets represent cash outflow.
- 3) Cash equivalents does not include any amount which is not available for use by the Company.
- 4) Disclosure of changes in liabilities arising from financing activities including both changes arising from cash flows and non cash changes are given below

(₹ in Lakhs)						
Particulars	As at 1st April 2023	Net Cash flows	Change in fair values/ Accruals	Unsecured Perpetual Securities	Others	As at 31st March 2024
Non Current Borrowings	955.62	116.89	-	-	-	1,072.51
Current Borrowings	3,190.00	(159.15)	-	-	-	3,030.85
Interest Accrued	5.91	(6.51)	-	-	-	(0.60)

(₹ in Lakhs)						
Particulars	As at 1st April 2022	Net Cash flows	Change in fair values/ Accruals	Unsecured Perpetual Securities	Others	As at 31st March 2023
Non Current Borrowings	1,262.82	(307.20)	-	-	-	955.62
Current Borrowings	4,052.39	(862.39)	-	-	-	3190.00
Interest Accrued	11.70	(5.79)	-	-	-	5.91

As per our report of even date attached.

On behalf of the Board

For S K Agrawal And Co Chartered Accountants LLP
Chartered Accountants
(F.R. NO. 306033E/E300272)

PAWAN KUMAR VERMA
Chief Financial Officer

AKHILESH CHITLANGIA
Managing Director & CEO
DIN: 03120474

CA VIVEK AGARWAL
(Membership No. 301571)
Partner
Place of Signature: Kolkata
Date : 17th May 2024

KOMAL DHURUV
Company Secretary

SUPARNA CHAKRABORTTI
Independent Director
DIN: 07090308

Notes to accounts

1. Company Overview

Duroply Industries Limited (‘the company’) is a public limited company incorporated and domiciled in India in 1957 under the Companies Act, 1956. Its shares are listed on BSE Limited. The Company is primarily engaged in manufacturing and sale of Plywood, Decorative Veneers, Block boards, Doors, Tea etc. The registered office of the Company is at 9, Parsee Church Street, Kolkata – 700 001.

2. Material Accounting Policy Information

a. Statement of compliance

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the ‘Act’) and other relevant provisions of the Act.

b. Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

The financial statements are presented in Indian Rupees (“INR”) and all values are rounded to the nearest lakhs, except otherwise stated.

c. Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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 recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes to accounts

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in quoted and unquoted equity shares
- Financial instruments

d. 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 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 normal operating cycle
- It is held primarily for the purpose of trading
- It is 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

e. Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

f. Property, plant and equipment

Recognition and initial measurement

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment

Notes to accounts

comprises major components having different useful lives, these components are accounted for as separate items.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under ‘Capital work-in-progress’.

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.

On transition to Ind AS, the Company has elected to continue with carrying value of all its property, plant and equipment (except free hold land which is recognised at fair value) recognised as at 1st April 2016 measured as per previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognized 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 derecognized.

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 Straight Line method over a period of 5 years.

h. Depreciation and amortisation property, plant and equipment and intangible assets

Depreciation or amortisation is provided so as to write off, on a Straight Line Method, the cost of property, plant and equipment and other intangible assets, including those held under finance leases to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives as per the useful life prescribed in Schedule II to the Companies Act, 2013, or, as per technical assessment, or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

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

Notes to accounts

Electrical Installation	10
Furniture & Fixtures	10
Office Equipment and Vehicle	5-8
Computers	3

Freehold land is not depreciated.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

i. Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease.

Leases are classified as finance leases where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

- (i) Operating lease – Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred

The Company as lessor

- (i) Operating lease – Rental income from operating leases is recognised in the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight line basis over the lease term. For change in lease accounting policy refer note 2.1

j. Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- The entity’s business model for managing the financial assets and
- The contractual cash flow characteristics of the financial asset.

Notes to accounts

Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company has measured quoted equity instruments at fair value through profit or loss.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or ‘other financial liabilities’.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards

Notes to accounts

of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Derivative financial instruments

The company uses Derivative Financial Instruments such as forward contracts to hedge its foreign currency risks. Such Derivative financial instruments are initially recognized and subsequently measured at Fair Value through profit or loss (FVTPL). Derivatives are carried as Financial Assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains/ losses arising from changes in the fair value of derivative financial instrument are recognized in the statement of Profit or Loss and reported with foreign exchange gains/ (loss) not within results from operating activities. Changes in fair value gains/ (losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance expense.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

k. Employee benefits

1. Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits obligations in the balance sheet.

2. Other long term obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

3. Post-employment obligations

The company operates the following post-employment schemes:

Defined contribution plans

The company pays provident fund contribution to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid.

Defined benefit plans

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.

Notes to accounts

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Re-measurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

4. Bonus Plans

The company recognizes a liability and an expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1. Inventories

Inventories are valued at the lower of cost and net realizable value.

Cost incurred in bringing each product to its present location and condition are accounted as follows:

- Raw materials: 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.
- Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- Stores and spares & Chemicals: Cost is determined on FIFO/weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion.

m. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised

n. Government grants

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as

Notes to accounts

deferred income and are recognized as other income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Grants related to revenue are recognized in statement of Profit and Loss under the heading 'Other Operating Revenue'.

o. Income 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. Deferred tax asset shall be recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

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.

p. Revenue

Ind AS 115 was issued on 28th March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. It focuses on the identification of performance obligations in a contract and requires revenue to be recognised when or as those performance obligations are satisfied.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1st April 2018.

In terms of the requirement of the new standard, revenue is recognised net of trade schemes, discounts and incentives payable to distributors/dealers and retailers.

The specific recognition criteria described below must also be met before revenue is recognized.

Notes to accounts

Sale of goods

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract / incoterms. Variable consideration in the form of volume rebates is recognized at the time of sale made to the customers and are offset against the amounts payable by them. The adaption of Ind AS 115 did not have significant impact for the company.

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.

Dividend income

Dividend income from investments is recognised when the shareholder’s rights to receive payment have been established.

Insurance Claims

Insurance and other claims are accounted for as and when settled.

q. Foreign currency transactions

Transactions in Foreign currency are initially recorded at the exchange rate at which the transaction is carried out.

Monetary Assets and Liabilities related to foreign currency transactions remaining outstanding at the year-end are translated at the year-end rate.

In case of items which are covered by forward exchange contracts, the premium or discount on forward exchange contracts is amortised over the period of the respective contract.

Any income or expense on account of exchange difference either on settlement or on translation at the year-end is recognised in the Statement of Profit and Loss.

r. Borrowing costs

Borrowings 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 interest costs.

s. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company, by the weighted average number of shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

t. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. 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.

Notes to accounts

The Company follows “simplified approach” for recognition of impairment loss allowances on trade receivables.

u. 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company’s cash management.

v. Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period allowed. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Long term trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

w. Related party transactions

Disclosure of transactions with related parties, as required by Ind AS 24 “Related Party Disclosures” has been set out in a separate note. Related parties as defined under Clause 9 of Ind AS 24 have been identified on the basis of representations made by the management and information available with the company.

2.1 Changes in accounting policies and disclosures

New and amended standards

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Notes to accounts

Note No : 3 - Property, Plant and Equipment (₹ in Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 01.04.2023 Cost or Deemed Cost	Additions	Deductions	As at 31.03.2024	Upto 31.03.2023	For the Year	Sales/ Adjustment	Upto 31.03.2024	As at 31.03.2024
Freehold Land	8,313.51	-	-	8,313.51	-	-	-	-	8,313.51
Buildings	540.66	11.71	-	552.37	119.24	18.33	-	137.57	414.80
Right to Use - Building	966.45	355.09	7.92	1,313.62	532.73	185.99	-	718.72	594.90
Plant and Equipments	1,219.32	83.47	-	1,302.79	462.42	107.32	-	569.74	733.05
Motor Vehicles	197.82	33.42	-	231.24	67.70	24.31	-	92.01	139.23
Furniture and Fixtures	108.85	7.63	-	116.48	63.97	7.92	-	71.89	44.59
Office Equipments & Computer	133.08	10.29	-	143.37	91.51	13.92	-	105.43	37.94
Sub - total	11,479.69	501.61	7.92	11,973.38	1,337.55	357.79	-	1,695.36	10,278.02
Capital Work in Progress	23.03	12.31	12.23	23.11	-	-	-	-	23.11
TOTAL	11,502.72	513.92	20.15	11,996.49	1,337.55	357.79	-	1,695.36	10,301.13

Note : - All the title deed of immovable property (Other than properties on lease) are in the name of the Company.

Ageing of Capital work-in-progress (₹ in Lakhs)

As at 31st March 2024	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	12.31	10.80	-	-	23.11
Total Capital work-in-progress	12.31	10.80	-	-	23.11

(₹ in Lakhs)

As at 31st March 2023	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	23.03	-	-	-	23.03
Total Capital work-in-progress	23.03	-	-	-	23.03

Property, Plant and Equipment - Previous Year (₹ in Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 01.04.2022 Cost or Deemed Cost	Additions	Deductions	As at 31.03.2023	Upto 31.03.2022	For the Year	Sales/ Adjustment	Upto 31.03.2023	As at 31.03.2023
Freehold Land	8,313.51	-	-	8,313.51	-	-	-	-	8,313.51
Buildings	515.99	24.67	-	540.66	102.00	17.24	-	119.24	421.42
Right to Use - Building	932.15	42.69	8.39	966.45	365.17	167.56	-	532.73	433.72
Plant and Equipments	1,116.01	103.38	0.07	1,219.32	365.92	96.54	0.04	462.42	756.90
Motor Vehicles	144.38	93.28	39.84	197.82	76.94	21.95	31.19	67.70	130.11
Furniture and Fixtures	108.82	0.26	0.23	108.85	56.33	7.85	0.21	63.97	44.88
Office Equipments & Computer	113.29	20.26	0.47	133.08	78.83	13.00	0.32	91.51	41.57
Sub - total	11,244.15	284.54	49.00	11,479.69	1,045.19	324.14	31.76	1,337.57	10,142.12
Capital Work in Progress	6.60	23.03	6.60	23.03					23.03
TOTAL	11,250.75	307.57	55.60	11,502.72	1,045.19	324.14	31.76	1,337.57	10,165.15

Notes to accounts

Note No : 4 - Other Intangible Assets (₹ in Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 01.04.2023 Cost or Deemed Cost	Additions	Deductions	As at 31.03.2024	Upto 31.03.2023	For the Year	Sales/ Adjustment	Upto 31.03.2024	As at 31.03.2024
Computer Softwares (Acquired)	132.69	7.38	-	140.07	71.85	12.33	-	84.18	55.89
TOTAL	132.69	7.38	-	140.07	71.85	12.33	-	84.18	55.89

Intangible Assets - Previous Year (₹ in Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 01.04.2022 Cost or Deemed Cost	Additions	Deductions	As at 31.03.2023	Upto 31.03.2022	For the Year	Sales/ Adjustment	Upto 31.03.2023	As at 31.03.2023
Computer Softwares (Acquired)	109.02	23.67	-	132.69	58.28	13.57	-	71.85	60.84
Trade Mark	-	-	-	-	-	-	-	-	-
Sub - total	109.02	23.67	-	132.69	58.28	13.57	-	71.85	60.84

Note No : 5 - Investments (₹ in Lakhs)

Particulars	Face value (₹)	As at 31st March, 2024		As at 31st March, 2023	
		Number of shares	Amount	Number of shares	Amount

Non-current investments

Investments measured at Fair Value through Profit & Loss					
Investments in Equity Shares					
a) Quoted, Fully paid up					
Rampur Fertilizers Limited	10	61	-	61	-
SMIFS Capital MarketsLtd.	10	3,500	1.74	3,500	1.35
United Credit Ltd.	10	1,000	0.20	1,000	0.13
			1.94		1.48
b) Unquoted, Fully Paid up :					
Other Companies					
Orissa Tea Plantations Ltd.	10	100	-	100	-
Albion Plywood Ltd.	10	300	-	300	-
Rajkot Nagrik Sahakari Bank Ltd.	50	1	-	1	-
			-		-
c) Unquoted, Partly paid up					
Partly paid up (₹ 60/- called and paid up)					
The Purbanchal Bank Limited	100	200	-	200	-
			-		-
			1.94		1.48

Investments in Mutual Funds (Lien against the Loan from Tata Capital Limited)

a) Axis Banking & PSU Debt-G		608.00	14.51	-	-
b) Bandhan Banking & PSU Debt Reg-G		64,969.00	14. 52	-	-
c) ICICI Pru Short Term-G		16,223.00	8.83	-	-
d) Kotak Banking and PSU Debt Reg-G		19,326.00	11.43	-	-
e) SBI Short Term Debt-G		30,328.00	8.81	-	-
			58.10	-	-
Total Non Current Investment			60.04		1.48



Notes to accounts

Current investments

Investments in Mutual Funds

a) Aditya Birla Sun Life Liquid Fund Growth		77,890.40	300.39	-	-
b) Bandhan Liquid Fund Growth		6,919.79	200.26	-	-
c) SBI Liquid Fund Regular Growth		8,019.80	300.40	-	-
				-	-
Total Current Investment			801.05		
			861.09		1.48
Aggregate amount of quoted investments			866.43		10.43
Aggregate amount of unquoted investments			1.13		1.13
Aggregate market value of quoted investments			861.09		1.48
Aggregate amount of impairment in value of Investments			10.08		10.08

Besides above, the Company holds following shares in relation to the shares already sold by it:

a) Rampur Fertilizers Ltd.		16		16	
				-	-

Note No : 6 - Loans (Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Loan to Others	651.76	651.76
	651.76	651.76

Note No : 7 - Other Financial Assets (Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Security deposits	14.55	43.76
Claim Receivable	68.62	-
	83.17	43.76

Note No : 8 - Other Non - Current Assets (Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital advances	24.61	51.46
Prepaid Expenses	3.20	5.02
	27.81	56.48

Notes to accounts

Note No : 9 - Inventories (At lower of cost and net realizable value, unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Raw Materials	3,655.61	3,192.62
Raw Materials in Transit	-	185.19
Work-in-Progress	1,056.02	1,190.88
Finished Goods	2,710.66	1,799.45
Finished Goods in Transit	3.48	24.06
Stock in Trade	1,033.65	592.11
Stock in Trade in Transit	-	0.16
Stores & Spares and Chemicals	302.17	206.06
Stores & Spares and Chemicals in Transit	-	0.37
	8,761.59	7,190.90

Note No : 10 - Trade receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade receivables considered good - Unsecured*	3,450.33	2,863.79
Trade receivables - Credit Impaired	184.04	169.90
Less:- Provision for Expected credit loss	184.04	169.90
	3,450.33	2,863.79

* includes ₹ 84.24 Lakhs/- (Previous year ₹ 84.24 Lakhs) under litigation.

Note No : 11 - Cash and bank balances

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Cash and cash equivalents				
Balances with banks	2.48		1.91	
Cheques, drafts on hand	73.38		4.02	
Cash on hand	3.40	79.26	3.49	9.42
		79.26		9.42

Note No : 12 - Other bank balances

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Fixed deposits with banks*	330.70	333.62
(Original maturity period above 3 Months but below 12 months)		
	330.70	333.62

* includes ₹ 330.70 Lakhs/- (Previous year ₹ 325.22 Lakhs) towards margin money for letter of credit

Note No : 13 - Other Financial Assets (Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Security deposits	107.48	67.21
	107.48	67.21

Notes to accounts

Note No : 14 - Others

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued	115.81	86.35
	115.81	86.35

Note No : 15 - Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance tax (net)	46.98	48.96
	46.98	48.96

Note No : 16 - Other Current Assets (Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance to suppliers and others	893.41	798.76
Slump Sale Receivable	6.63	12.63
Balance with Statutory Authorities	157.56	11.87
Prepaid expenses	41.73	54.49
	1,099.33	877.75

Note No : 17 - Equity Share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount ₹ in lakhs	No. of shares	Amount ₹ in lakhs
(a) Authorised:				
Equity shares of ₹ 10/- each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
(b) Issued:				
Equity shares of ₹ 10/- each	1,00,43,003	1,004.30	79,52,859	795.30
	1,00,43,003	1,004.30	79,52,859	795.30
(c) Subscribed and Paid up:				
Equity shares of ₹ 10/- each fully paid up	98,63,078	986.31	77,72,934	777.30
Forfeited Equity Shares of ₹ 10 each (Amount originally paid up)	5,625	0.28	5,625	0.28
		986.59		777.58
(d) Reconciliation of number and amount of equity shares outstanding :				
At the beginning of the year	77,72,934	777.30	64,60,742	646.08
Issued During the year	20,90,144	209.01	13,12,192	131.22
At the end of the year	98,63,078	986.31	77,72,934	777.30

Notes to accounts

- (e) The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The holders of equity shares are entitled to receive dividends as declared from time to time. 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. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (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:
- Pursuant to the scheme of amalgamation, 1942857 shares were issued for consideration other than cash on 6th October 2018.
 - No bonus shares were issued
 - No shares were bought back
- (h) The company had issued and allotted 11,91,032 warrants on preferential allotment basis on 2nd September 2022. There was 9,12,808 warrants outstanding at the beginning of the year, which was converted into Equity Shares as per the below details:-
- On 16th October 2023, 2,12,754 warrants were converted in Equity Shares having face value of ₹10/- each
 - On 18th December 2023, 4,86,774 warrants were converted in Equity Shares having face value of ₹10/- each
 - On 20th February 2024 2,13,280 warrants were converted in Equity Shares having face value of ₹10/- each
- (i) Issue of Equity Shares and Warrants through Preferential allotment: -
During the quarter ended 31st March 2024, the company made following preferential allotment to non promoters on 27th March 2024
- 11,77,336 equity shares, having face value of ₹10/- each, at a price of ₹ 203 per Equity Share at a premium of ₹193 per Equity Share aggregating to ₹2389.99 Lakhs.
 - 9,85,220 warrants, each carrying a right to subscribe to 1 (One) Equity Share of ₹10 each at an issue price of ₹203 per warrant aggregating to ₹1999.99 Lakhs, upon receipt of 25% of issue price of ₹50.75 per warrant amounting to ₹499.99 towards warrant subscription money. The remaining consideration of 75% of the issue price ₹152.25 per warrant amounting to ₹1500 shall be payable at any time within 18 months in one or more tranches from the date of allotment of the warrants i.e 27th March 2024. The amount received against warrants shall be adjusted/ set off against the issue price for the resultant equity share.
 - The company on 27th March 2024 received a total amount aggregating to ₹2889.99 Lakhs, which includes Equity Shares subscription of amounting to ₹2389.99 Lakhs and 25% of the warrant subscription money amounting to ₹500 Lakhs.
- (j) The proceeds of the issue has been utilized to augment the long-term resources of the Company for meeting funding requirements of its business activities, strengthen balance sheet, maintain adequate liquidity, pursue growth opportunities and general corporate and other purposes.
- (k) There are 985220 (Previous year 912808) securities convertible into Equity / Preference Shares.
- (l) There are NIL (Previous year NIL) calls unpaid including calls unpaid by Directors and Officers as on the balance sheet date.
- (m) No shares were forfeited during the year or during the previous year. 5625 equity shares of ₹10/- on which ₹5/- each

Notes to accounts

Note No : 17 - Equity Share capital (contd...)

had been paid up, were forfeited in the year 1995-1996 and 1996-1997

(n) Shareholders holding more than 5 % of the equity shares in the Company :

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
i) Sudeep Chitlangia	365668	3.71	365668	5.66
ii) Aashray Enterprises (P) Ltd.	723657	7.34	723657	11.20
iii) Archana Chitlangia	602479	6.11	602479	9.33
iv) Poushali Sales (P) Ltd.	1219228	12.36	594228	9.20
TOTAL	2911032	29.52	2286032	35.39

(o) Details of Shares held by the promoters in the Company

Promoters Name	As at 31st March 2024		As at 31st March 2023		Changes during the year	
	No. of shares	% of Total Shares	No. of shares	% of Total Shares	No of Shares	% Change during the year
Sheela Chitlangia	271650	2.75%	271650	3.49%	-	-0.74%
Jaydeep Chitlangia (HUF)	65604	0.67%	65604	0.84%	-	-0.17%
Archana Chitlangia	602479	6.11%	602479	7.75%	-	-1.64%
Akhilesh Chitlangia	364893	3.70%	169628	2.18%	1,95,265	1.52%
Abhishek Chitlangia	363757	3.69%	176428	2.27%	1,87,329	1.42%
Sudeep Chitlangia	365668	3.71%	365668	4.70%	-	-0.99%
Sudeep Chitlangia (HUF)	90786	0.92%	90786	1.17%	-	-0.25%
Sunita Chitlangia	385123	3.90%	385123	4.95%	-	-1.05%
Shreya Kanoria	164628	1.67%	164628	2.12%	-	-0.45%
Nikhilesh Chitlangia	390528	3.96%	210314	2.71%	1,80,214	1.25%
Purushottam Das Chitlangia (HUF)	90175	0.91%	90175	1.16%	-	-0.25%
Chitlangia Medical Society	72200	0.73%	72200	0.93%	-	-0.20%
Chitperi Farm Pvt. Ltd.	49694	0.50%	49694	0.64%	-	-0.14%
Abhinandan Fintex Pvt. Ltd.(since merged)	-	-	275000	3.54%	(2,75,000)	-3.54%
Aashray Enterprises Pvt. Ltd.	723657	7.34%	723657	9.31%	-	-1.97%
Poushali Sales Pvt. Ltd.	1219228	12.36%	594228	7.64%	6,25,000	4.72%
Calcutta Technicians & Advisers Pvt. Ltd.	206000	2.09%	206000	2.65%	-	-0.56%
	5426070	55.01%	4513262	58.06%		

Notes to accounts

Note No : 18 - Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
(a) Securities premium				
Balance as per last account	2,276.29		754.15	
Add: Received during the year	3,331.12		1,522.14	
		5,607.41		2,276.29
(b) General reserve *				
Balance as per last account		1,216.84		1,216.84
(c) Money received against Share Warrant		500.00		287.54
(d) Retained Earning				
Balance as per last account	4,283.72		3,774.41	
Add: Transfer from Other Comprehensive Income	(50.86)		(13.26)	
Add : Profit / (Loss) for the Year	100.75	4,333.61	522.57	4,283.72
(e) Other Comprehensive Income (OCI)				
As per last Balance Sheet	-		-	
Add: Movement in OCI(Net) during the year	(50.86)		(13.26)	
Less: Transferred to Retained Earning	50.86	-	13.26	-
		11,657.86		8,064.39

* General reserve is primarily created to comply with the requirements of section 123(1) of Companies Act, 2013. This is a free reserve and can be utilised for any general purpose.

Note No : 19 - Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Term Loans		
Secured		
From banks	236.35	955.62
From entities other than banks	836.16	-
	1,072.51	955.62
Less :- Current Maturities Long term Debt	245.28	376.14
	827.23	579.48

Notes to accounts

Note No : 19 - Borrowings (contd...)

(a) Nature of securities:

Term loan from Banks are secured by first charge on the Company's immovable properties situated at Kolkata and Rajkot (Gujarat) by deposit of title deeds and also by second charge on all plant & machinery and other fixed assets of the Company, both present & future, and are additionally secured by personal guarantees of the Managing Director. Term Loan from entities other than banks are secured by personal guarantees of the Managing Director.

(b) Terms of repayment:

Particulars	Amount outstanding as on Balance Sheet date		Period of maturity w.r.t.Balance Sheet date	Number of instalments Outstanding as on 31/03/2024	Amount of instalment ₹
	Non-Current ₹ in lakhs	Current ₹ in lakhs			
Secured Loans from Banks**	-	-	-	-	-
	(202.59)	(68.14)	-	-	-
	-	-	-	-	-
	(137.49)	(44.96)	-	-	-
Secured Loans from Banks**	-	-	-	-	-
	(20.91)	(51.67)	-	-	-
	-	26.04	4 Months	4	650875
	(26.04)	(78.10)			
	79.69	50.33	2Yrs	24	419444
Secured Loans from Banks**	(125.83)	(25.17)			
	-	26.62	4Months	4	694445
	(27.20)	(83.33)			
Secured Loans from entities other than Banks**	726.02	110.14	7 Yrs 5Months	90	942270
	(-)	(-)			
Secured Loans from Banks	3.61	8.24	1Yr 5Months	17	73380*
	(11.84)	(7.68)			
	2.50	5.71	1Yr 5Months	17	50871*
	(8.21)	(5.33)			
	3.32	6.27	1Yr 6Months	18	56493*
	(9.59)	(5.82)			
	3.38	6.40	1Yr 6Months	18	57264*
	(9.78)	(5.94)			
Secured Loans from Banks	8.71	5.53	2Yrs 5Months	29	54672*
	(-)	(-)			
Total	827.23	245.28			
	(579.48)	(376.14)			

Figures in the brackets pertain to previous year.

* Includes Interest

** Processing fees amortise as per IND AS

Note No : 20 - Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	485.16	329.91
	485.16	329.91

Notes to accounts

Note No : 21 - Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits	615.55	517.20
	615.55	517.20

Note No : 22 - Deferred tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Deferred tax assets :		
Expenses allowable for tax purposes when paid	173.07	145.72
Carry Forward Loss	651.04	678.52
Transition Impact of IND AS 116	13.81	13.81
	837.92	838.05
(b) Deferred tax liabilities :		
Depreciation	79.15	79.13
Fair Valuation of Free Hold Land	1,598.11	1,598.11
	1,677.26	1,677.24
Deferred tax Liabilities (Net) *	839.34	839.19

* Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Note No : 23 - Other Non - Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred Government Grant	45.28	56.13
	45.28	56.13

Note No : 24 - Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured		
From banks		
Working Capital Loan	2,627.84	2,666.99
Current maturities of long - term debt		
From banks	245.28	376.14
Unsecured		
From entities other than banks	403.00	523.00
	3,276.12	3,566.13

Nature of securities:

Working capital loan are secured by hypothecation of present & future stocks and book debts and first charge on the Company's immovable properties situated at Rajkot (Gujarat) by deposit of title deeds and also by second charge on all plant & machinery and other fixed assets of the Company, both present & future, and are additionally secured by personal guarantees of the Chairman.



Notes to accounts

Note No : 25 - Lease Liabilities (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities	176.62	166.34
	176.62	166.34

Note No : 26 - Trade Payables (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Outstanding dues of micro and small enterprises	1,726.43	-
Outstanding dues other than of micro and small enterprises	4,676.51	6,390.17
	6,402.94	6,390.17

Note No : 27 - Other Financial Liabilities (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Sundry Creditors Capital Goods	5.68	-
Interest accrued but not due on borrowings	6.51	5.91
Others against sales of assets	-	650.00
Unpaid salaries and other payroll dues	301.11	255.27
Security deposits	53.36	55.21
	366.66	966.39

Note No : 28 - Other current liabilities (₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Advances from Agents and Customers	197.16		88.42	
Statutory liabilities	88.28		99.18	
Others	0.98	286.42	10.34	197.94
		286.42		197.94

Note No : 29 - Provisions (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits	6.56	6.62
	6.56	6.62

Notes to accounts

Note No : 30 - Revenue from operations (₹ in Lakhs)

Particulars	Year ended 31st March, 2024		Year ended 31st March, 2023	
Sale of goods (Gross)				
A. Manufactured Goods				
i) Plywood	19,559.96		20,541.26	
ii) Veneers	8.98	19,568.94	131.66	20,672.92
B. Stock-in-trade				
i) Plywood		12,678.70		8,687.81
C. Others		19.83		873.13
		32,267.47		30,233.86

Note No : 31 - Other operating revenues (₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Insurance Claims	74.83	12.29
	74.83	12.29

Note No : 32 - Other income (₹ in Lakhs)

Particulars	Year ended 31st March, 2024		Year ended 31st March, 2023	
Interest income (Gross)				
Fixed deposits with banks	18.55		17.24	
Others	40.77	59.32	41.55	58.79
Dividend income		1.02		-
Government Grant		10.85		10.85
Profit on Fair Value of Quoted Investments		3.64		-
Rent		3.60		4.20
Unspent liabilities / balances written back		5.40		4.11
Reduction of Rent Expenses		4.91		1.24
Compensation received from Government		-		93.15
Miscellaneous income		1.80		0.06
Profit on sale of Fixed Assets		-		31.45
		90.54		203.85

Note No : 33 - Cost of materials consumed (₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Veneer	7,530.28	7,115.38
Planks & Beams	1,262.75	1,324.85
Timber Log	660.62	289.41
Others	2,590.56	3,821.84
	12,044.21	12,551.48

Note No : 34 - Purchases of stock-in-trade (₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Plywood	10,606.61	6,936.63
Others	-	655.63
	10,606.61	7,592.26



Notes to accounts

Note No : 35 - Changes in inventories of finished goods, work-in-progress and stock-in-trade (₹ in Lakhs)

Particulars	Year ended 31st March, 2024		Year ended 31st March, 2023	
A. Finished Goods				
Opening Stock				
i) Plywood	1,394.53		1,298.01	
ii) Veneer	428.98		408.32	
	1,823.51		1,706.33	
Closing Stock				
i) Plywood	2,237.43		1,394.53	
ii) Veneer	476.72		428.98	
	2,714.15	(890.64)	1,823.51	(117.18)
B. Stock-in-Trade				
Opening Stock				
i) Plywood	592.27		426.17	
ii) Furniture			3.86	
	592.27		430.03	
Closing Stock				
i) Plywood	1,033.65		592.27	
ii) Furniture	-		-	
	1,033.65	(441.38)	592.27	(162.24)
C. Work-in-Progress				
Opening Stock				
i) Plywood	1,190.88		926.64	
Closing Stock				
i) Plywood	1,056.02	134.86	1,190.88	(264.24)
NET (INCREASE) / DECREASE IN STOCKS		(1,197.16)		(543.66)

Note No : 36 - Employee benefits expense (₹ in Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Salaries and wages	2,904.51	2,580.63
Contribution to provident and other funds	272.16	248.59
Staff welfare expense	44.26	35.29
	3,220.93	2,864.51

Notes to accounts

Note No : 37 - Finance costs (₹ in Lakhs)

Particulars	Year ended 31st March, 2024		Year ended 31st March, 2023	
Interest expense				
On long term borrowings	103.94		120.15	
On short term borrowings	399.94		354.65	
On others	58.78		5.65	
On Lease Obligation	74.45	637.11	80.53	560.98
Other borrowing costs		177.33		150.49
		814.44		711.47

Note No : 38 - Other expenses (₹ in Lakhs)

Particulars	Year ended 31st March, 2024		Year ended 31st March, 2023	
Consumption of stores and spare parts		170.52		163.50
Consumption of packing materials		93.67		82.62
Power and fuel		549.13		623.21
Repairs				
Buildings	8.97		3.53	
Machinery	35.75		38.76	
Others	5.41	50.13	6.87	49.16
Job Charges		1,189.38		1,140.21
Rent		51.35		48.81
Electricity		40.01		39.71
License Fees		6.97		5.48
Rates & Taxes (excluding taxes on income)		24.28		24.02
Watch and Ward Expenses		46.66		43.16
Insurance		49.60		46.26
Communication Expenses		36.74		31.60
Travelling & Conveyance		331.33		283.55
Vehicles Maintenance		93.94		83.20
Printing & Stationery		19.38		13.37
Legal and Professional Charges		340.59		244.99
Director Sitting Fees		6.05		6.87
Miscellaneous Expenses		224.70		226.10
Human Resource Development Expenses		1.74		3.27
Statutory Auditors' Remuneration				
Audit Fee	4.45		4.45	
Certification Fee	2.05	6.50	0.75	5.20
Charity & Donations		25.88		22.77
Forwarding,Freight and Delivery Charges		1,277.84		1,204.19
Commission on Sales		198.46		246.26
Forward Premium Expenses		28.92		36.72
Foreign Exchange Fluctuations		2.63		41.37
Advertisement, Publicity & Sales Promotion		1,391.12		1,246.24
Loss on Fair Value of Quoted Investments		-		0.08
Bad Debts		-		48.19
Provision for Doubtful Debts		14.14		68.33
Royalty Paid		201.13		66.00
		6,472.79		6,144.44

Notes to accounts

Note No : 39 - (₹ in Lakhs)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
1. Estimated amount of contract remaining to be executed on Capital Account and not provided for	101.39	6.46
2. Contingent Liabilities not provided for in respect of :		
a) Uncalled Capital against partly paid-up shares held as investment	0.08	0.08
b) Demand raised by Govt.authorities in respect of Taxes and Duties and contested by the Company .	189.05	7,193.16
Amount Paid against above	37.43	-

The company, has ascertained on the basis of legal opinion that a Income Tax Case amounting to ₹5827.57 lakhs has very remote possibility of occurrence and therefore the same is not a contingent liability.

3. The information as required to be disclosed pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified based on the information available with the Company.

4. **Company as a Lessee**
Impact on Balance Sheet - Increase/(Decrease) (₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Assets		
Right of Use Assets(Refer Note No. 3)	594.89	433.72
Liabilities		
Lease Liabilities	661.77	496.25

Impact on Statement of Profit and Loss - Decrease/(Increase) in Profit (₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Depreciation and Amortisation	185.99	167.56
Other Expenses	(251.17)	(222.87)
Finance Cost	74.45	80.53
Net Impact on Profit and Loss Statement	9.27	25.22

Impact on Statement of Cash Flows (₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Payment of principal portion of lease liabilities	176.72	142.34
Payment of Interest portion of lease liabilities	74.45	80.53
Net Cash flows used in financial activities	251.17	222.87

The Company has lease contracts for Warehouse and office spaces used in its operations. These generally have lease terms between 1 and 5 years.The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The company applies the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term. Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

(₹ in Lakhs)		
Particulars	31st March 2024	31st March 2023
As at 1st April	433.72	566.98
Addition during the year	355.09	42.69
Deduction during the year	7.93	8.39
Depreciation Expense	185.99	167.56
As at 31st March	594.89	433.72

Notes to accounts

Note No : 39 - (contd...)

Set out below are the carrying amounts of lease liabilities and the movements during the year: (₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
As at 1st April	496.25	605.53
Addition during the year	355.09	42.69
Reversal during the year	44.53	9.63
Accretion of interest	74.45	80.53
Payments	251.17	222.87
As at 31st March	630.09	496.25
Current	176.62	166.34
Non Current	485.16	329.91

The effective interest rate for lease liabilities is 14.52%, with maturity between 2024-2029

The following are the amounts recognised in statement of Profit and Loss: (₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Depreciation expense on right-of use assets	185.99	167.56
Interest expenses on lease liabilities	74.45	80.53
Expense relating to other leases (including in other expenses)	-	-
Total amount recognised in Statement of Profit and Loss	260.44	248.09

(₹ in Lakhs)

Maturity analysis of lease liabilities are as follows:	2023-2024	2022-2023
1 Year	176.62	166.34
2 to 5 Years	485.16	329.91

5. For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company net debt includes interest bearing loans and borrowings, less cash and cash equivalents.

(₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Borrowings (Note - 19 and 24)	4,103.35	4,145.61
Less: Cash and cash equivalents (Note-11)	79.26	9.42
Net debt	4,024.09	4,136.19
Equity	12,644.45	8,841.97
Capital and net debt		
Gearing ratio	0.32	0.47

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2024 and 31st March 2023.

Notes to accounts

Note No : 39 - (contd...)

6. Financial instruments by category

(a) Fair value of financial assets and liabilities measured at amortised cost (₹ in Lakhs)

Particulars	31st March, 2024		31st March, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Non current financial assets				
(i) Investments	60.04		1.48	
(ii) Loans		651.76		651.76
(iii) Other non current financial assets		83.17		43.76
Current financial assets				
(i) Trade receivables		3,450.33		2,863.79
(ii) Investments	801.05			
(iii) Cash and cash equivalents		79.26		9.42
(iv) Bank Balance other than above		330.70		333.62
(v) Other current financial assets		107.48		67.21
(vi) Others		115.81		86.35
Total Financial assets	861.09	4,818.51	1.48	4,055.90
Non Current financial Liabilities				
(i) Borrowings		827.23		579.48
(ii) Lease Liabilities		485.16		329.91
Current financial liabilities				
(i) Borrowings		3,276.12		3,566.13
(ii) Lease Liabilities		176.62		166.34
(iii) Trade payable	2.53	6,400.41	3.60	6,386.57
(iv) Other current financial liabilities	-	366.66	-	966.39
Total financial liabilities	2.53	11,532.20	3.60	11,994.81

The carrying amount of financial assets and financial liabilities measured at amortisd cost in the financial statements are a reasonable approximation of their fair value since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets (₹ in Lakhs)

Particulars	Fair value measurement using		
	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2023			
Assets measured at fair value			
Investments	861.09		
Liabilites measured at fair value			
Derivative Liabilities		2.53	
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2022			
Assets measured at fair value			
Investments	1.48		
Liabilites measured at fair value			
Derivative Liabilities		3.60	

Notes to accounts

Note No : 39 - (contd...)

7. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include Investments, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each risk, which are summarised as below:

(A) 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 three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include Trade payables and borrowings in foreign currencies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable and Fixed interest rates.

(₹ in Lakhs)		
Descriptions	31st March 2024	31st March 2023
Variable rate borrowings	3,646.68	2,666.99
Fixed rate borrowings	456.67	1,478.62

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 variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)		
Descriptions	Effect on Profit before tax	
	31st March 2024	31st March 2023
Increase by 50 basis points	(18.23)	(13.33)
Decrease by 50 basis points	18.23	13.33

b) Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in purchase of raw material through letter of credits. The Company is not restricting its exposure of risk in change in exchange rates. The Company expects the Indian Rupee to strengthen and accordingly the Company is carrying the risk of change in exchange rates.

(₹ in Lakhs)		
Unhedged foreign currency exposure		
Particulars	31st March 2024	31st March 2023
Trade creditors		
Rs.	757.28	322.96
USD	9.10	3.60
EUR	-	0.59

Notes to accounts

Note No : 39 - (contd...)

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD/EURO 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 monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Descriptions	Effect on Profit before tax	
	31st March 2024	31st March 2023
USD/EURO Sensitivity		
Increase by 5%	(37.86)	(16.15)
Decrease by 5%	37.86	16.15

(₹ in Lakhs)

B) Credit risk

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).

(i) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10. The Company does not hold collateral as security.

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31st March 2024 and 31st March 2023 is the carrying amount as illustrated in Note 39(7).

Trade Receivable Ageing

(₹ in Lakhs)

Particulars	As at 31st March 2024					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,149.79	59.04	6.80	2.28	232.42	3,450.33
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	99.80	99.80
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	84.24	84.24
	3,149.79	59.04	6.80	2.28	416.46	3,634.37
Less : - Credit Impaired	-	-	-	-	184.04	184.04
TOTAL Trade Receivable	3,149.79	59.04	6.80	2.28	232.42	3,450.33

Notes to accounts

Note No : 39 - (contd...)

Trade Receivable Ageing

(₹ in Lakhs)

Particulars	As at 31st March 2023					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,592.30	11.09	4.61	9.80	246.00	2,863.79
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	85.66	85.66
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	84.24	84.24
	2,592.30	11.09	4.61	9.80	415.90	3,033.69
Less : - Credit Impaired	-	-	-	-	169.90	169.90
TOTAL Trade Receivable	2,592.30	11.09	4.61	9.80	246.00	2,863.79

Trade Payable Ageing

(₹ in Lakhs)

Particulars	As at 31st March 2024					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Outstanding dues to MSME	1,570.44	155.99	-	-	-	1,726.43
(ii) Others	4,090.34	443.29	54.14	15.02	73.72	4,676.51
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-
TOTAL Trade Payable	5,660.78	599.29	54.14	15.02	73.72	6,402.94

(₹ in Lakhs)

Particulars	As at 31st March 2023					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Outstanding dues to MSME	-	-	-	-	-	-
(ii) Others	3,626.59	2,583.24	52.54	23.34	104.45	6,390.17
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-
TOTAL Trade Payable	3,626.59	2,583.24	52.54	23.34	104.45	6,390.17

(C) Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources

Notes to accounts

Note No : 39 - (contd...)

of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods -

(₹ in Lakhs)

Descriptions	31st March 2024	31st March 2023
Floating rate		
(a) Expiring within one year (Bank overdraft and other facilities)		
Secured		
- Current maturities of long term debt	245.28	376.14
- Working capital loan	2,627.84	2,666.99
Unsecured		
- Short term loans	403.00	523.00
(b) Expiring beyond one year (Bank loans)		
Secured		
- Rupees term loan from banks	-	579.48
- Rupees term loan from financial institutions	827.23	-

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments -

(₹ in Lakhs)

Descriptions	Less than 3 months	3 to 6 months	6 to 12 months	1 to 2 years	2 to 5 years
Year ended 31st March 2024					
Contractual maturities of borrowings	81.21	53.15	78.77	160.89	363.50
Contractual maturities of finance lease obligations	7.81	7.96	16.38	18.84	2.67
Contractual maturities of trade payables	2,419.41	171.49	-	-	-

(₹ in Lakhs)

Descriptions	Less than 3 months	3 to 6 months	6 to 12 months	1 to 2 years	2 to 5 years
Year ended 31st March 2023					
Contractual maturities of borrowings	81.85	81.85	187.68	237.90	302.15
Contractual maturities of finance lease obligations	6.02	6.13	12.61	26.62	12.81
Contractual maturities of trade payables	1,321.57	203.54	-	-	-

8. Disclosure pursuant to IND AS - 19 on "Employee Benefits"

Defined Contribution Plan:

Employee benefits in the form of Provident Fund, Pension Scheme and Superannuation Fund are considered as defined contribution plan and the contributions are made in accordance with the relevant statute and are recognized as an expense when employees have rendered service entitling them to the contributions. The contribution to defined contribution plan, recognized as expense for the year are as under:

(₹ in Lakhs)

Descriptions	2023-24	2022-23
Employers' Contribution to Provident Fund & Pension Fund	189.70	166.38
Employers' Contribution to Superannuation Fund	10.30	9.08

Notes to accounts

Note No : 39 - (contd...)

Defined Benefit Plan:

Post employment and other long-term employee benefits in the form of gratuity, sick leave and earned leave encashment are considered as defined benefit obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The amount of defined benefits recognized in the balance sheet represent the present value of the obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of plan assets.

Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The amounts recognised in the Profit & Loss Statement and Balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Gratuity and other post-employment benefit plans

(₹ in Lakhs)

Descriptions	31st March 2024	31st March 2023
Gratuity Plan	462.22	347.11
Sick Leave	17.12	14.35
Leave Encashment	142.77	157.98
Total	622.11	519.44

Changes in defined benefit obligation

(₹ in Lakhs)

Descriptions	31st March, 2024			31st March, 2023		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Present value obligation as at the start of the year	483.96	14.35	157.98	419.46	11.25	134.32
Interest cost	33.82	1.03	10.17	28.19	0.80	8.56
Current service cost	39.27	3.24	19.39	42.50	2.45	21.60
Benefits paid	28.56	-	33.51	44.77	-	27.62
Acquisitions (credit)/ cost	-	-	-	23.77	-	-
Actuarial loss/(gain) on obligations	51.14	(1.50)	(11.26)	14.81	(0.15)	21.12
Present value obligation as at the end of the year	579.63	17.12	142.77	483.96	14.35	157.98

Change in fair value of plan assets

(₹ in Lakhs)

Descriptions	31st March, 2024			31st March, 2023		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Fair value of plan assets as at the start of the year	136.85	NA	NA	143.33	NA	NA
Return on plan assets	8.83	NA	NA	8.59	NA	NA
Actuarial loss/(gain)	(0.28)	NA	NA	(1.55)	NA	NA
Acquisition adjustment	-	NA	NA	28.16	NA	NA
Benefits paid	28.56	NA	NA	44.77	NA	NA
Fair value of plan assets as at the end of the year	117.41	-	-	136.85	-	-

Notes to accounts

Note No : 39 - (contd...)

Breakup of Actuarial gain/loss: (₹ in Lakhs)

Descriptions	31st March, 2024			31st March, 2023		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Actuarial (gain)/loss on arising from change in financial assumption	9.85	0.25	3.33	(4.28)	(0.11)	(1.85)
Actuarial (gain)/loss on arising from experience adjustment	41.29	(1.75)	36.32	19.09	(0.04)	22.97
Return on plan assets (greater)/less than discount rate	-	-	-	-	-	-

Reconciliation of present value of defined benefit obligation and the fair value of plan assets (₹ in Lakhs)

Descriptions	31st March, 2024			31st March, 2023		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Present value obligation as at the end of the year	579.63	17.12	142.77	483.96	14.35	157.98
Fair value of plan assets as at the end of the year	117.41	-	-	136.85	-	-
Net (asset)/obligation recognized in balance sheet	462.22	17.12	142.77	347.11	14.35	157.98

Amount recognized in the statement of profit and loss (₹ in Lakhs)

Descriptions	31st March, 2024			31st March, 2023		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Current service cost	39.27	3.24	19.39	42.50	2.45	21.60
Interest cost	33.82	1.03	10.17	28.19	0.80	8.56
Expected Return on the Plan Assets	8.83	NA	NA	8.59	NA	NA
Actuarial gain/ (loss) recognized in the year	(50.86)	(1.50)	(11.26)	(13.26)	(0.15)	21.12
(Income)/Expense recognised in the statement of profit and loss	64.26	2.77	18.30	62.10	3.10	51.28

Amount recognised in the statement of Other Comprehensive Income (₹ in Lakhs)

Descriptions	31st March, 2024			31st March, 2023		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Actuarial Gain/(Loss) for the year on PBO	(51.14)	-	-	(14.81)	-	-
Actuarial Gain/(Loss) for the year on Asset	0.28	-	-	1.55	-	-
Unrecognised actuarial Gain/(Loss) at the end of the year	(50.86)	-	-	(13.26)	-	-

Notes to accounts

Note No : 39 - (contd...)

Actuarial assumptions

Descriptions	31st March, 2024			31st March, 2023		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Discount rate	7.00%	7.00%	7.00%	7.20%	7.20%	7.20%
Future salary increase	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis

Descriptions	31st March, 2024			31st March, 2023		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Impact of the change in discount rate						
Present value of obligation at the end of the year	579.63	17.12	142.77	483.96	14.35	157.98
a) Impact due to increase of 0.5 %	555.59	16.52	134.66	463.56	13.86	149.17
b) Impact due to decrease of 0.5 %	605.70	17.75	151.68	506.07	14.89	167.62
Impact of the change in salary increase						
Present value of obligation at the end of the year	579.63	17.12	142.77	483.96	14.35	157.98
a) Impact due to increase of 0.5 %	605.39	17.76	151.11	505.78	14.84	167.00
b) Impact due to decrease of 0.5 %	555.67	16.51	135.10	463.66	14.79	149.65

The sensitivity analysis 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 reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Lakhs)

Descriptions	31st March, 2024			31st March, 2023		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Within next 12 months	60.59	-	-	49.99	-	-

9. In calculating Earnings per share

Descriptions	Year ended 31st March 2024	Year ended 31st March 2023
a) Numerator used :		
Profit / (Loss) after tax (₹ in Lakhs)	100.75	522.57
b) Denominator used in computing Basic Earning per Share:		
Weighted Average Number of Equity Shares	80,44,505	70,63,796
c) Denominator used in computing Diluted Earning per Share:		
Weighted Average Number of Equity Shares including potential Equity Shares	80,55,272	70,68,173
d) Nominal value of equity shares (₹)	10.00	10.00
e) Basic Earnings per share (a/b) (₹)	1.25	7.40
f) Diluted Earnings per share (a/c) (₹)	1.25	7.39

Notes to accounts

Note No : 39 - (contd...)

10. Details of loan given during the year under section 186(4) of the Companies Act 2013 are given under : -

(₹ in Lakhs)

Particulars	Balance as at 31st March 2023	Loan Given During the year	Repaid/ adjusted during the year	Balance as at 31st March 2024
Arunachal Plywood Industries Limited	226.76	-	-	226.76
Aadhunik Infrastructure Development (P) Ltd.	425.00	-	-	425.00
Total	651.76	-	-	651.76

11. Related Party Disclosures

Names of related parties & description of relationship

Enterprises over which KMP and his relatives have significant influence:	Aishani Infotech Private Ltd.
	Aashray Enterprises Private Ltd.
	Calcutta Technicians & Advisers Private Ltd.
	Chitperi Farm Pvt. Ltd.
	J S M & Company
	Madhya Bharat Papers Ltd.
	Poushali Sales Private Limited
	Sujay Management Services LLP
	Chitlangia Charitable Trust
	PGT Partners
	Anugrah Foundation
	Industrial and Prudential Investment Company Limited
	Paharpur Cooling Towers Limited
Key Management Personnel and Directors :	Shri Sudeep Chitlangia (Chairman) (Appointed with effect from 01.04.2024)
	Shri Akhilesh Chitlangia (Managing Director & CEO) (Appointed with effect from 01.04.2024)
	Shri Pawan Kumar Verma (CFO)
	Smt. Komal Dhruv (Company Secretary)
	Shri Sujit Chakravorti (Independent Director) (Term completed on 31.03.2024)
	Smt. Suparna Chakraborti (Independent Director) (Appointed with effect from 19.05.2023)
	Dr. Kali Kumar Chaudhuri (Independent Director) (Term completed on 31.03.2024)
	Shri Ratan Lal Gaggar (Independent Director) (Term completed on 31.03.2024)
	Shri Probir Roy (Independent Director) (Term completed on 31.03.2024)
	Shri Vinay Agarwal (Non-Executive Non-Independent Director)
	Shri Kulvin Suri (Independent Director) (Appointed with effect from 13.02.2024)
	Shri Arun Kumar Singhania (Independent Director) (Appointed with effect from 19.05.2023)
	Relative of Key Management Personnels : Shri Abhishek Chitlangia

Notes to accounts

Note No : 39 - (contd...)

Particulars of transactions during the year ended 31st March 2024 (₹ in Lakhs)

Nature of Transactions	Associates/ Enterprises over which KMP and his relatives have significant influence	Key Management Personnel	Total
Rent Received	3.60	-	3.60
	(4.20)	-	(4.20)
Remuneration to KMP	-	221.38	221.38
	-	(177.30)	(177.30)
Director's Sitting Fees		6.05	6.05
		(6.87)	(6.87)
Consultancy Fees Paid	30.66		30.66
	(11.61)		(11.61)

Particulars of transactions during the year ended 31st March 2024 (₹ in Lakhs)

Nature of Transactions	Associates/ Enterprises over which KMP and his relatives have significant influence	Key Management Personnel	Total
Sales	265.40	-	265.40
	(-)	-	(-)
Interest Received	-	-	-
	(35.95)	-	(35.95)
Purchase	120.76		120.76
	(178.13)		(178.13)
Interest Paid	-	-	-
	(15.19)	-	(15.19)
Royalty Paid	233.74		233.74
	(66.00)		(66.00)
Discounting Charges Paid	62.87		62.87
	(-)		(-)
Loan Received	-		-
	(240.00)		(240.00)
Loan Refunded	-	-	-
	(584.00)	-	(584.00)
Advance Refunded	650.00	-	650.00
	-	-	-
Refund of Advance Given	20.00	-	20.00
	(-)	-	(-)
Outstanding against Guarantees Obtained	-	6,264.47	6,264.47
	-	(5,549.99)	(5,549.99)
Balance Outstanding at the Balance Sheet Date	572.49 Dr	-	572.49 Dr
	(22.27 Cr)	(-)	(22.27 Cr)

Notes:

- Figures in the brackets pertain to previous year.
- The Company has neither written off nor written back any amount recoverable / payable from / to any related party during the year.
- The amount due from related parties are good and hence no provision for doubtful debts in respect of dues from such related parties is required.



Notes to accounts

Note No : 39 - (contd...)

Disclosure of Material Transactions with Related Parties

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024		Year Ended 31st March, 2023	
Rent Received				
J S M & Company		1.20		1.80
Poushali Sales Private Limited		2.40		2.40
Sales				
Poushali Sales Private Limited		1.62		-
Paharpur Cooling Towers Limited		263.78		-
Consultancy Fees Paid				
PGT Partners		30.66		11.61
Discounting Charges Paid				
Industrial and Prudential Investment Company Limited		62.87		-
Remuneration to KMP				
Shri Sudeep Chitlangia (Managing Director)		85.84		72.41
Short term employee benefit	79.86		67.37	
Post employment benefit	5.98		5.04	
Shri Akhilesh Chitlangia (Executive Director & COO)		56.14		48.03
Short term employee benefit	52.20		44.65	
Post employment benefit	3.94		3.38	
Shri Pawan Kumar Verma (CFO)		31.63		17.90
Short term employee benefit	29.59		16.73	
Post employment benefit	2.04		1.17	
Smt Komal Dhruv (Company Secretary)		7.86		5.37
Short term employee benefit	7.86		5.37	
Shri Abhishek Chitlangia		39.90		33.25
Short term employee benefit	39.90		33.25	
Directors Sitting Fees				
Smt. Sheela Chitlangia		-		1.00
Smt. Suparna Chakraborti		0.88		-
Shri Sujit Chakravorti		0.98		1.62
Dr. Kali Kumar Chaudhuri		1.00		1.08
Shri Ratan Lal Gaggar		0.20		1.38
Shri Probir Roy		1.40		1.40
Shri Kulvin Suri		0.20		-
Shri Arun Kumar Singhanian		0.80		-
Shri Vinay Agarwal		0.60		0.40
Purchase				
Poushali Sales Private Limited		120.76		103.01
Interest Paid				
Calcutta Technicians & Advisers Private Ltd.		-		14.40
Poushali Sales Private Limited		-		0.79

Notes to accounts

Note No : 39 - (contd...)

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024		Year Ended 31st March, 2023	
Royalty Paid				
Sujay Management Services LLP		161.74		-
Chitperi Farm Private Ltd.		72.00		66.00
Loan Received				
Calcutta Technicians & Advisers Private Ltd.		-		165.00
Poushali Sales Private Limited		-		75.00
Loan Refunded				
Calcutta Technicians & Advisers Private Ltd.		-		590.00
Poushali Sales Private Limited		-		75.00
Advance Refunded				
Anugrah Foundation		130.00		-
Chitlangia Charitable Trust		520.00		-
Advance Given				
Poushali Sales Private Limited		-		418.32
Refund of Advance Given				
Poushali Sales Private Limited		20.00		-
Guarantees Obtained				
Sudeep Chitlangia		900.00		-
Outstanding against Guarantees Obtained				
Sudeep Chitlangia		6,264.47		5,549.99
Net Balance Receivable/(Payable)				
J S M & Company		3.63		1.71
Madhya Bharat Papers Ltd.		205.36		205.36
Sujay Management Services LLP		(11.73)		-
Anugrah Foundation		-		(130.00)
Chitlangia Charitable Trust		-		(520.00)
Chitperi Farm Private Ltd.		(0.12)		0.75
PGT Partners		(9.35)		-
Sudeep Chitlangia		(4.30)		-
Akhilesh Chitlangia		(2.32)		-
Abhishek Chitlangia		(3.05)		-
Pawan Kumar Verma		(1.79)		-
Komal Dhruv		(0.58)		-
Poushali Sales Private Limited		389.02		419.91
Paharpur Cooling Towers Limited		7.72		-



Notes to accounts

Note No : 39 - (contd...)

12. Ratios

The following are the analytical ratio for the year 31st March 2024 and 31st March 2023

Particulars	Numerator	Denominator	31st March 2024	31st March 2023	Variance
Current Ratio (Note a)	Current Assets	Current Liabilities	1.41	1.01	39.60%
Debt Equity Ratio (Note b)	Total Debts	Shareholders Fund	0.32	0.43	-25.58%
Debt Service Coverage Ratio (Note c)	Net Operating Income (before interest)	Debt (Principal + Interest)	1.13	1.52	-25.66%
Return on Equity (Note d)	Net Profit after Tax	Average Shareholders Fund	0.01	0.06	-83.33%
Inventory Turnover Ratio	Cost of Sales	Average Inventory	3.47	3.77	-7.96%
Trade Receivables Turnover Ratio	Sales	Average Trade Receivable	10.22	12.42	-17.71%
Trade Payables Turnover Ratio	Purchase	Average Trade Creditors	3.75	4.15	-9.64%
Net Capital Turnover Ratio (Note e)	Net Sales	Working Capital	17.37	27.28	-36.33%
Net Profit Ratio (Note f)	Net Profit	Net Sales	-	0.02	-100.00%
Return on Capital Employeed (Note g)	PBIT	Capital Employed	0.05	0.12	-58.33%

Note: -

- a. Increases due to increase of Current Assets over Current Liabilities..
- b. Decreases due to increase in shareholder fund due to equity infusion during the year.
- c. Decreases due to decrease in net operation income.
- d. Decreases due to increase in shareholder fund due to equity infusion during the year.
- e. Decreases due to higher working capital utilisation.
- f. Decreases due to lower net profit.
- g. Decreases due to lover profit before interest and tax.

13. The company does not have any Benami property, where any proceeding has been inititated or pending against the company for holding any Benami property.
14. The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961)
15. The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
16. The Company has borrowing limits sanctioned from banks on the basis of security of current assets. The quarterly returns or statements filed by the company with banks are in agreement with the books of accounts.
17. The company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
18. There has been no delay in Charges or satisfaction to be registered with ROC beyond the statutory period.
19. The Company does not have any transactions with struck off companies under Companies Act, 2013 or Companies Act, 1956, during the year.
20. As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility

Notes to accounts

Note No : 39 - (contd...)

(CSR) activities. The areas for CSR activities are promoting education, promoting gender equality by empowering women, healthcare, environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects.For the year ending March 31, 2024, the Company is not required to contribute under CSR as the 2% of its average net profit for the immediately preceding three financial years is negative.

21. The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: -
- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. Provided any gurantee, security or the like to or on behalf of the ultimate beneficiaries.
- The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding(whether recorded in writing or otherwise) that the Company shall: -
- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. Provided any gurantee, security or the like to or on behalf of the ultimate beneficiaries.
22. The Company has utilised the fund borrowed from banks and financial institutions for the purpose it was taken.
23. Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirments) Regulations, 2015 : There are no transactions (except related party transactions) which are required to be disclosed under Schedule V to the SEBI (Listing Obligations and Disclosure Requirments) Regulations, 2015.
24. The previous year’s figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

On behalf of the Board

For S K Agrawal And Co Chartered Accountants LLP Chartered Accountants (F.R. NO. 306033E/E300272)	PAWAN KUMAR VERMA Chief Financial Officer	AKHILESH CHITLANGIA Managing Director & CEO DIN. 03120474
CA VIVEK AGARWAL (Membership No. 301571) Partner	KOMAL DHRUV Company Secretary	SUPARNA CHAKRABORTTI Independent Director DIN. 07090308

Place of Signature: Kolkata
Date : 17th May 2024



CORPORATE INFORMATION

STATUTORY AUDITORS

M/s. S K Agrawal And Co Chartered Accountants LLP
Chartered Accountants
Suite Nos. – 606-608, The Chambers
1865, Rajdanga Main Road,
Kolkata- 700107

M/s. Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001
Phone: 033-2243 5029, Email: mdpldc@yahoo.com

9, Parsee Church Street, Kolkata – 700 001
Phone: 033-2265 2274

113 Park Street, North Block, 4th Floor, Kolkata – 700 016

1/35, W.H.S. Kirtinagar, New Delhi – 110015

L20211WB1957PLC023493

www.duropy.in

investors@duroply.com

Shri Pawan Kumar Verma

Smt. Komal Dhruv

Punjab National Bank
State Bank of India

This document contains statements about expected future events and financial and operating results of Duroproly Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis of the Duroproly Industries Limited's Annual Report FY 23-24.



Duroply Industries Limited

Corporate Office: 113 Park Street, North Block 4th Floor, Kolkata-700016

Phone: (033) 22652274 | **Toll Free:** 1800-345-3876 (**DURO**) 10:00am-6:00pm/Monday-Friday

E-Mail: corp@duroply.com | **Website:** www.duroply.in

Find us on:     