



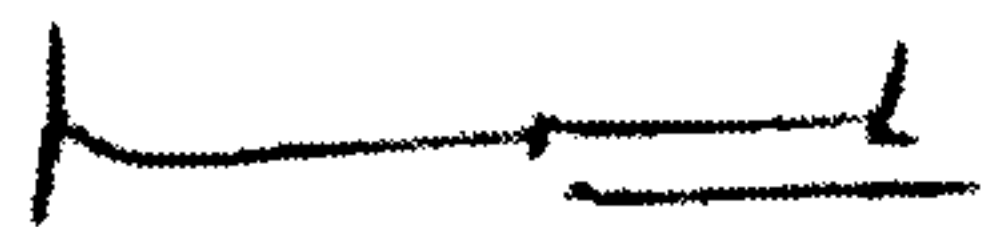


# National Plywood Industries Limited

C. I. No. L20211AS1973PLC001856

Head Office: 5, Fancy Lane, Kolkata-700 001, Phones: 033-2248 0116-117  
 Fax: 033-2248 1248, Email: info@npliltd@nationalplywood.net, Web: www.nationalplywood.net

## CLAUSE 31(a) OF LISTING AGREEMENT

Declaration in Form A is given as under

1	Name of the Company	National Plywood Industries Limited
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2015
3	Type of Audit Observation	No Qualifications observed
4	Frequency of Observation	NOT APPLICABLE
5	Additional comments from the Board/Audit Committee Chairman	As per disclosures made in the Annual Report
6	To be signed by:	
	• CFO/Managing Director	<p>For NATIONAL PLYWOOD INDUSTRIES LTD</p>  <p>Vice Chairman &amp; Managing Director          PIYUSH PERIWAL          VICE-CHAIRMAN &amp; MANAGING DIRECTOR</p>
	• Audit Committee Chairman	 <p>Vinod Kumar Sharma          Independent &amp; Non Executive Director</p>
	• Auditor of the Company	<p>For JHUNJHUNWALA &amp; CO</p>  <p>Mr. R.K. Jhunjunwala          For M/S. JHUNJHUNWALA &amp; CO.          CHARTERED ACCOUNTANTS          FIRM REGISTRATION NO.302169E</p>



# National Plywood Industries Limited

Head Office : 5, Fancy Lane, Kolkata-700 001, Phones : 033-2248 0116/17  
Fax : 033-2248 1246, Email : info.npil.ho@nationalplywood.net, Web : www.nationalplywood.net

Ref.NPIL/BSE./2015-16

NOVEMBER 30, 2015.

To  
The Secretary,  
Department of Corporate Services,  
BSE Limited  
Floor-25, P. J. Towers, Dalal Street,  
Mumbai – 400 001.

Sub.: Submission of Copy of Annual Report for the year ended 31<sup>st</sup> March, 2015.

Dear Sir,

We are pleased to enclose hereby copy of Annual Report for the year ended 31<sup>st</sup> March, 2015 along with Secretarial Audit Report for your record and necessary action.

This is for your kind information and doing the needful.

We hope you will find the same in order.

Please acknowledge.

Thanking you,

Yours faithfully,  
For National Plywood Industries LTD

*Shruti Bothra.*

SHRUTI BOTHRA Company Secretary  
Company Secretary

Regd. Office & Factory : P.O. Makum Pathar-786187, Margherita, Dist. Tinsukia (Assam)

Enc.: Annual Report & Secretarial Audit Report

C. I. No. L20211AS1973PLC001856

## **DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors have pleasure in presenting their 40<sup>th</sup> Annual Report together with the Audited Balance Sheet as at **31st March 2015** and Statement of Profit & Loss for the year ended on that date.

### **FINANCIAL RESULTS/ STATE OF AFFAIRS**

(Rs. in Lacs.)

<b>PARTICULARS</b>	<b>Year Ended on 31.03.2015</b>	<b>Year Ended on 31.03.2014</b>
Revenue from operations	3878.54	4301.84
Other Income	4372.37	23.89
Profit /(Loss) before Interest and Depreciation	3102.22	38.92
Profit /(Loss) before Tax	3064.47	(22.63)
Provision for Tax		
Profit /(Loss)after Tax.	3064.47	(22.63)
Proposed Dividend on Equity Shares.		
Balance Brought-forward from Balance –Sheet.	(9292.72)	(9270.09)
Balance carried forward to Balance-Sheet.	(6228.25)	(9292.72)

### **STATE OF COMPANY'S AFFAIRS**

During the year under review, the Company has achieved a gross turnover of Rs. 3878.54 Lacs as against Rs. 4301.84 Lacs, a decrease of 5.17 % from the preceding year. The Company is taking necessary steps to increase the turnover and margins. The Margherita Unit of the Company has started production in the latter part of the financial year and it is now expected to contribute to the increase in the turnover of the coming year.

The Other Income achieved during the year amounting to Rs. 4372.37 Lacs includes the outstanding balances of Banks/ and Financial Institutions which has been written off after completing the Negotiated Settlement (NS) with the Banks as mutually agreed with them. The No Dues Certificate of three Banks namely State Bank of India (SBI), State Bank of Mysore (SBM) and Standard Chartered Bank (SCB) have been received by the Company respectively on 02.01.2014, 08.01.2014 and 16.01.2014. The NOC from Stressed Assets Stabilization Fund (SASF) is yet to be received though their entire payment has been cleared as per their demand. As part of the Scheme and as per directions of the Hon'ble BIFR on 12.11.2013, payment was made by the promoters and associates in lieu of buy back of Equity Shares from the Banks towards differential interest for 2006-07. A total amount of Rs. 93.10 Lacs was paid to the Banks and the same is reflected as Advance toward Share Buy-Back in the Company's Books and the equivalent Equity Shares can only be allotted once the Scheme is finally approved.

Once the No Dues Certificate from SASF is received and the charge on the Company's assets are released alongwith the title deeds, the Company will be in a position to arrange additional working capital required to increase the sales turnover as the Company's products have a good demand all over the country.

The Company's Rehabilitation Scheme had been submitted to the Operating Agency (IDBI) and the Hon'ble BIFR but there has been no hearing for our Company after 13.08.2014 due to lack of quorum in the designated Bench of the Hon'ble BIFR. The Scheme with cut off date 31.03.2013 is now being revised as directed by the Operating Agency with fresh proposed cut off date as 31.03.2015 subject to approval of Hon'ble BIFR and the revised scheme is being submitted shortly to the Operating Agency for onward submission to the Hon'ble BIFR.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Clause – 49 of the Listing Agreement with the Stock Exchanges, the management discussion and analysis report is enclosed as a part of this report.

#### **CHANGES IN THE NATURE OF BUSINESS, IF ANY**

No Change in the nature of business of the Company done during the year.

#### **LISTING WITH STOCK EXCHANGES**

The Company is listed with Bombay Stock Exchange Limited & Calcutta Stock Exchange Limited. It has not paid the Annual Listing Fees for the Financial Year 2015-16 to the Exchange where the Company's shares are listed.

#### **DEMATERIALISATION OF SHARES**

From the total Equity Share Capital of the Company, 67.85% of the Company's paid up Equity Share Capital is in dematerialized form as on 31-03-2015 and the balance are in physical form. The Company's Registrar: M/s. Maheshwari Datamatics Pvt Ltd., having their Registered Office at : 6, Mangoe Lane(2nd Floor), Kolkata – 700001, Phone:033-2243-5029/5809, 2248-2248.

#### **NUMBER OF MEETINGS OF THE BOARD**

There were Six meetings of the Board held during the Financial Year from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March, 2015. Detailed information is given in the Corporate Governance Report.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In light of the Provisions of Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, Sri Vinod Kumar Sharma, Director, is going to retire by rotation and being eligible offer himself for re-appointment. The information as required to be disclosed under Clause 49 of the Listing Agreement in case of re-appointment of the director is provided in the notice of the ensuing Annual General Meeting.

At the 40<sup>th</sup> Annual General Meeting of the Company to be held on 29<sup>th</sup> September, 2015, the Company seeks members approval for appointment of Sri Vinod Kumar Sharma as an Independent Director under the Companies Act, 2013 for a period of 5 years effective from 31<sup>st</sup> October, 2014.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 Director of your Company , hereby state and confirm that :

- a) In the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the same period;
- c) 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;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls in the Company that are adequate and were operating effectively;
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

### **OVERALL PERFORMANCE**

The Performance of the Company has been comprehensively covered in the Management Discussion and Analysis Report which forms part of the Directors' Report.

### **EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return as required under Section 134(3)(a) of the Companies Act, 2013, is set out at Annexure-1 which forms part of this report.

### **DECLARATION BY INDEPENDENT DIRECTORS**

The Independent directors have submitted the Declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

### **DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178**

Information regarding Directors' Remuneration Policy and criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 are provided in the Corporate Governance Report.

### **CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION**

Your Company has taken adequate steps to adhere to all the stipulations laid down in Clause – 49 of the listing agreement. A report on Corporate Governance is included as part of this report, Certificate from the statutory auditors of the Company M/s. JHUNJHUNWALA & CO., Chartered Accountants, confirming the compliance with the conditions of Corporate Governance as stipulated under Clause – 49 of the Listing Agreement is included as a part of this report.

### **PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS**

The Company has not given Loans, Guarantee and Investments. Therefore, the requirement to disclose in Notes to Accounts are not required.

### **RELATED PARTY TRANSACTIONS**

There were no related party transactions ( RPTs) entered into by the Company during the financial year, which attracted the provisions of Section 188 of Companies Act, 2013. There being no 'material' related party transactions as defined under Clause 49 of the Listing Agreement, there are no details to be disclosed in Form AOC-2 in that regard.

## **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this report.

## **SUBSIDIARIES**

Your Company has no subsidiaries Companies.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Internal financial controls with reference to the financial statements were adequate and operating effectively.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

## **PRESENTATION OF FINANCIAL RESULTS**

The Financial Results of the Company for the year ended 31 March 2015 have been disclosed as per Schedule III to the Companies Act, 2013.

## **CORPORATE SOCIAL RESPONSIBILITY**

In terms of Section 135 and Schedule – VII of the Companies Act, 2013, the Corporate Social Responsibility (CSR) is not applicable for the Company as the Company is a sick Company and registered with BIFR. The Company continue to remain focussed on improving the quality of life and engaging communities through health, education, sports and infrastructure development.

## **PREFERENTIAL ISSUE**

During the year the Company has not issued any Preferential Issue of Equity Shares.

## **AUDITORS**

### **STATUTORY AUDITOR**

M/s. Jhunjhunwala & Co., Chartered Accountants, Kolkata (Firm Registration No. 302169E), the auditors of the Company are due for retirement in accordance with the provisions of the Companies Act, 2013 at the ensuing Annual General Meeting and are eligible for reappointment. Your Directors recommend their re-appointment for the ensuing year.

The Company has received a confirmation from them to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from being appointed as the Statutory Auditors of the Company.

The statutory audit report does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditor.

## SECRETARIAL AUDITOR

Pursuant to the Provision of Section 204 of the Companies Act, 2013 read with Rule-9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S. Maheshwari R & Associates, (Membership No. 5126) Company Secretaries in Practice, to undertake the secretarial audit of the Company. Secretarial Audit Report for the year 2014-15 given by M/S. Maheshwari R & Associates in the prescribed Form MR-3 is annexed to this Report. The Secretarial Audit Report for the year under review does not contain any qualification, reservation or adverse remark or disclaimer made by the secretarial auditor.

## CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

A Statement containing the information required by Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is set out in the statement hereto and forms part of this Report.

### A. Power and Fuel Consumption

	Current Year 2014-15 (In Rs.)	Previous Year 2013-14 (In Rs.)
<b>1. Electricity</b>		
(a) Purchased (Units)	866391	554464
Total Amount (Rs.)	6885437	4155358
Rate /Unit	7.94	7.49
(b) Own Generation through Diesel Generator		
Units (Litres)	26814.64	37190
Units per litre of diesel Oil	6.12	3.00
Total Units of Power	60990	111548
Total Amount (Rs.)	1556246	2091892
Cost per Unit	25.51	18.75
<b>2. Furnace Oil</b>	-	-
Quantity (k. Litre)	-	-
Total Amount (Rs.)	-	-
Average Rate Per Litre	-	-
<b>Wood</b>		
Quantity (M. Tons)	523	480
Total Amount (Rs.)	1877467	1728232
Average Rate per Ton	3587	3600

### B. Consumption Per Unit Of Production

Decorative Laminated Boards (No.) Total Prodn.	623015	423527
Electricity (Unit/ Unit of Prodn.)	1.46	1.57
Furnace Oil (Ltr./ Unit of Prodn.)	-	-
Wood (Kgs. / Unit Of Prodn.)	1.52	1.13

## **PUBLIC DEPOSITS**

Your Company has neither invited nor accepted any deposits from the public within the meaning of section 2(32) and 74 of the Companies Act, 2013 during the year and as such, no amount of principal or interest on deposit was outstanding as of the balance sheet date.

## **CASH FLOW ANALYSIS**

In conformity with the provision of clause 32 of the Listing Agreement(s), a cash flow statement for the financial year ended 31<sup>st</sup> March, 2015 forms part of the audited accounts.

## **CORPORATE GOVERNANCE**

Your Company reaffirms its commitment to Corporate Governance and is fully compliant with the conditions of Corporate Governance stipulated in Clause-49 of the Listing Agreement with Stock Exchanges. A separate section on compliance with the conditions of Corporate Governance and a Certificate from the firm of Practicing Company Secretary dated 31<sup>st</sup> July, 2015 in this regard is annexed hereto and forms a part of the report.

## **ACKNOWLEDGEMENTS**


Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

Head Office:  
5, Fancy Lane (7th Floor),  
Kolkata – 700 001.

Date : 30<sup>th</sup> July, 2015

On Behalf of the Board of Directors'



( P. PERIWAL )  
Vice-Chairman & Managing Director  
DIN: 00698796



**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L20211AS1973PLC001856
2	Registration Date	11-12-1973
3	Name of the Company	NATIONAL PLYWOOD INDUSTRIES LIMITED
4	Category/Sub-category of the Company	Category: Company limited by Shares Sub-Category: Indian Non-Government Company
5	Address of the Registered office & contact details	Address: P.O. - Makum Pather - 786187, Margherita, Dist.: Tinsukia, Assam; Email: info.npil.ho@nationalplywood.net; Phone: 033-22480116
6	Whether listed company	Yes - Listed in BSE & CSE
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Pvt. Ltd., Address:- 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001 ; Phone Number:- 2243-5029/2248-2248, Email:- mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	PLYWOOD	1621	47.82%
2	LAMINATE	1621	38.71%
3	SWAN TIMBER	1621	21.75%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NONE				
2					

IV. SHARE HOLDING PATTERN
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(i) Category-wise Share Holding

(Equity share capital breakup as percentage of total equity)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	22,42,340	3,94,820	26,37,160	45.05%	22,42,340	3,94,820	26,37,160	45.05%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	28,930	1,30,560	1,59,490	2.72%	28,930	1,30,560	1,59,490	2.72%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	<b>22,71,270</b>	<b>5,25,380</b>	<b>27,96,650</b>	<b>47.78%</b>	<b>22,71,270</b>	<b>5,25,380</b>	<b>27,96,650</b>	<b>47.78%</b>	<b>0.00%</b>

<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	22,71,270	5,25,380	27,96,650	47.78%	22,71,270	5,25,380	27,96,650	47.78%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	2,07,260	-	2,07,260	3.54%	2,07,260	-	2,07,260	3.54%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	2,07,260	-	2,07,260	3.54%	2,07,260	-	2,07,260	3.54%	0.00%
<b>2. Non-institutions</b>									
a) Bodies Corp.	726554	-	7,26,554	12.41%	726554	-	7,26,554	12.41%	0.00%
i) Indian	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	16,22,746	-	16,22,746	27.72%	16,22,746	-	16,22,746	27.72%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4,99,540	-	4,99,540	8.53%	4,99,540	-	4,99,540	8.53%	0.00%
c) Others (specify)									
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	1,000	-	1,000	0.02%	1,000	-	1,000	0.02%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	28,49,840	-	28,49,840	48.68%	28,49,840	-	28,49,840	48.68%	0.00%
<b>Total Public (B)</b>	30,57,100	-	30,57,100	52.22%	30,57,100	-	30,57,100	52.22%	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	53,28,370	5,25,380	58,53,750	100.00%	53,28,370	5,25,380	58,53,750	100.00%	0.00%

**(ii) Shareholding of Promoter**

**(Equity Share Capital)**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Smt. Chandra Kanta Periwal	5,64,650	9.65%	-	5,64,650	9.65%	-	0.00%
2	Smt. Madhulika Periwal	3,43,240	5.86%	-	3,43,240	5.86%	-	0.00%
3	Smt. Madhulika Periwal	23,300	0.40%	-	23,300	0.40%	-	0.00%
4	Sri Piyush Periwal	2,70,525	4.62%	-	2,70,525	4.62%	-	0.00%
5	Sri Piyush Periwal	52,050	0.89%	-	52,050	0.89%	-	0.00%
6	Miss Malvika Periwal	17,250	0.29%	-	17,250	0.29%	-	0.00%
7	Smt. Sheela Periwal	2,13,000	3.64%	-	2,13,000	3.64%	-	0.00%
8	Smt. Sheela Periwal	1,500	0.03%	-	1,500	0.03%	-	0.00%

9	Sri Abhyuday Periwal	1,92,100	3.28%	-	1,92,100	3.28%	-	0.00%
10	Sri Abhyuday Periwal	1,750	0.03%	-	1,750	0.03%	-	0.00%
11	Shri Ajay Kumar Periwal	1,78,350	3.05%	-	1,78,350	3.05%	-	0.00%
12	Smt. Neelam Periwal	1,46,750	2.51%	-	1,46,750	2.51%	-	0.00%
13	Shri Anant Periwal	5,000	0.09%	-	5,000	0.09%	-	0.00%
14	Sri Vijay Kumar Periwal	1,78,925	3.06%	-	1,78,925	3.06%	-	0.00%
15	Sri Vijay Kumar Periwal	64,500	1.10%	-	64,500	1.10%	-	0.00%
16	Sri Vijay Kumar Periwal	7,500	0.13%	-	7,500	0.13%	-	0.00%
17	Sri Mayank Periwal	16,000	0.27%	-	16,000	0.27%	-	0.00%
18	Piyush Periwal - HUF	13,700	0.23%	-	13,700	0.23%	-	0.00%
19	Reliable Wood Industries Ltd.	39,620	0.68%	-	39,620	0.68%	-	0.00%
20	Platinum Plywood Pvt. Ltd.	28,930	0.49%	-	28,930	0.49%	-	0.00%
21	Platinum Plywood Pvt. Ltd.	1,600	0.03%	-	1,600	0.03%	-	0.00%
22	Narottam Investments & Trading Co. Ltd.	1,01,850	1.74%	-	1,01,850	1.74%	-	0.00%
23	Narottam Investments & Trading Co. Ltd.	15,010	0.26%	-	15,010	0.26%	-	0.00%
24	National Couriers Pvt Ltd.	12,500	0.21%	-	12,500	0.21%	-	0.00%

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			No change during the year			
	Changes during the year			No change during the year			
	At the end of the year			No change during the year			

**(iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

(Equity shares)

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Floreat India Limited						
	At the beginning of the year			20,000	0.34%	20,000	0.34%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			20,000	0.34%	20,000	0.34%
2	Gradation Enterprises Ltd.						
	At the beginning of the year			7,600	0.13%	7,600	0.13%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			7,600	0.13%	7,600	0.13%
3	ICICI Bank Ltd.						
	At the beginning of the year			2,07,260	3.54%	2,07,260	3.54%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			2,07,260	3.54%	2,07,260	3.54%
4	Mahendra Girdharilal						
	At the beginning of the year			3,06,000	5.23%	3,06,000	5.23%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			3,06,000	5.23%	3,06,000	5.23%

5	Kanoi Leasfin Ltd						
	At the beginning of the year			15,000	0.26%	15,000	0.26%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			15,000	0.26%	15,000	0.26%
6	RDB Entertainments Pvt Ltd						
	At the beginning of the year			7,500	0.13%	7,500	0.13%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			7,500	0.13%	7,500	0.13%
7	Amrex Marketing Pvt Ltd						
	At the beginning of the year			5,98,740	10.23%	5,98,740	10.23%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			5,98,740	10.23%	5,98,740	10.23%
8	Sheth International Pvt Ltd						
	At the beginning of the year			21,400	0.37%	21,400	0.37%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			21,400	0.37%	21,400	0.37%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>Sri Piyush Periwal</b>						
	At the beginning of the year			3,22,575	5.51%	3,22,575	5.51%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			3,22,575	5.51%	3,22,575	5.51%
2	<b>Sri Nani Gopal Paul</b>						
	At the beginning of the year			200	0.00%	200	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			200	0.00%	200	0.00%
3	<b>Sri Vinod Kumar Sharma</b>						
	At the beginning of the year			200	0.00%	200	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			200	0.00%	200	0.00%
4	<b>Malvika Periwal</b>						
	At the beginning of the year			17,250	0.29%	17,250	0.29%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			17,250	0.29%	17,250	0.29%
5	<b>Abhijit Sarkar</b>						
	At the beginning of the year			200	0.00%	200	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			200	0.00%	200	0.00%

<b>6</b>	<b>Vijay Kumar Periwal</b>						
	At the beginning of the year			2,50,925	4.29%	2,50,925	4.29%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			2,50,925	4.29%	2,50,925	4.29%
<b>7</b>	<b>Brij Gopal Jaju</b>						
	At the beginning of the year			200	0.00%	200	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			200	0.00%	200	0.00%

#### V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year - NIL</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Name	Designation	(Rs/Lac)
		PIYUSH PERIWAL	Managing Director	
1	Gross salary	-	-	9.00 Lacs
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-

3	Others, please specify				-	-	-
				Total (A)	-	-	9.00 Lacs
				Ceiling as per the Act			
<b>B. Remuneration to Executive Directors</b>							
SN.	Particulars of Remuneration				Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
					Name	NANI GOPAL PAUL	
					Designation	Managing Director	
1	Gross salary				-	-	3.00 Lacs
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-	-	-
2	Stock Option				-	-	-
3	Sweat Equity				-	-	-
4	Commission						
	- as % of profit				-	-	-
	- others, specify				-	-	-
3	Others, please specify				-	-	-
				Total (A)	-	-	3.00 Lacs
				Ceiling as per the Act			
<b>C. Remuneration to other Directors - NONE</b>							
<b>D. Remuneration to Key Managerial Personnel other than MD/Manager/WTD - NONE</b>							
<b>VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:</b>							
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed		Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)	
<b>A. COMPANY</b>							
Penalty	NA	NIL	NIL		NIL	NIL	
Punishment	NA	NIL	NIL		NIL	NIL	
Compounding	NA	NIL	NIL		NIL	NIL	
<b>B. DIRECTORS</b>							
Penalty	NA	NIL	NIL		NIL	NIL	
Punishment	NA	NIL	NIL		NIL	NIL	
Compounding	NA	NIL	NIL		NIL	NIL	
<b>C. OTHER OFFICERS IN DEFAULT</b>							
Penalty	NA	NIL	NIL		NIL	NIL	
Punishment	NA	NIL	NIL		NIL	NIL	
Compounding	NA	NIL	NIL		NIL	NIL	

**NATIONAL PLYWOOD INDUSTRIES LTD.**  
**CIN: L20211AS1973PLC001856**  
**REPORT ON CORPORATE GOVERNANCE (2014-15)**

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Good Governance is an integral part of the Company's business practices based on the philosophy of Trusteeship, i.e. **transparency**, adequate **disclosure**, **fairness** to all and **Independent monitoring and supervision**. The strong internal control system and procedures, risk assessment and mitigation procedures and code of conduct for observance by the Company's directors and employees are conducive in achieving good Corporate Governance practices in the Company. The Board has adopted a principal of good and ethical Corporate Governance in line with the requirement of Clause – 49 of the Listing Agreement with the Stock Exchange(s).

**BOARD OF DIRECTORS**

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who have in depth knowledge of the business. As at 31<sup>st</sup> March, 2015 the Company's Board consists of Seven (7) number of Directors. Sri Vinod Kumar Sharma shall retire at the ensuing Annual General Meeting and has offered himself for re-appointment.

Sri Piyush Periwal	Vice-Chairman & Managing Director
Sri Vijay Kumar Periwal	Promoter Director
Sri Abhijit Sarkar	Independent & Non-Executive Director
Sri Nani Gopal Paul	Whole-time Director & Executive Director
Miss Malvika Periwal	Woman Director & Non-Executive Director
Sri Vinod Kumar Sharma	Independent & Non-Executive Director
Sri Brij Gopal Jaju	Independent & Non-Executive Director

The Executive Directors are eminent and experienced persons in their respective fields of industry, finance and law.

**Directorship held by Directors of National Plywood Industries Limited:**

Name of Director	Category	No. of Shares held in the company	No. of other Directorship		No. of Outside Committees.	
			Public	Private	Member	Chairman
Sri P. Periwal	Promoter, Executive Director & Chairman	322575	1		2	1
Sri V. K. Periwal	Promoter	250925				
Sri N. G. Paul	Executive & Whole-time Director	200	1	1		
Sri V. K. Sharma	Independent Director.	200	1			
Miss Malvika Periwal	Women & Non-Executive Director,	17250	1			

Sri Abhijit Sarkar	Independent Director.	200	1			
Sri B. G. Jaju	Independent Director	200	1			

None of the Directors of the Board is a member of more than 10 (Ten) Committees and Chairman of more than 5 (Five) Committees as per Clause – 49 (IV) (B) of the Listing Agreement, across all Companies in which he is a Director.

### **BOARD MEETINGS AND ATTENDANCE OF THE DIRECTORS**

The Company's Board of Directors play a primary role in ensuring good governance and functioning of the Company. All the required information is placed before the Board. The Board reviews from time to time compliance reports of all the laws applicable to the Company. The members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussion.

During the year ended on 31<sup>st</sup> March, 2015, the Board of Directors had 6 (six) meetings which were held as under –

May	30/05/2014
June	28/06/2014
July	30/07/2014
August	21/08/2014
October	31/10/2014
January	29/01/2015

Attendance of Directors at Board Meetings and at the 40<sup>th</sup> Annual General Meeting held on 30/09/2015 and details of sitting fees / commission paid to the Directors for the period under review are as follows :

<b>Name of Director</b>	<b>Number of Board Meeting which director was entitled to attend</b>	<b>No. of meetings attended</b>	<b>Sitting Fees paid during the year</b>	<b>Attendance at the last AGM</b>
Sri P. Periwal	6	6	Nil	Yes
Sri V.K. Periwal	6	0	Nil	No
Sri N.G.Paul	6	6	Nil	Yes
Sri V.K. Sharma	6	6	Rs. 9000/-	Yes
Miss Malvika Periwal	4	4	Rs. 6000/-	No
Sri Abhijit Sarkar	4	4	Rs. 6000/-	No
Sri Brij Gopal Jaju	3	3	Rs. 4500/-	No

### **INFORMATION SUPPLIED TO THE BOARD**

In advance of each meeting, the Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to officers of the Company. In addition to items which are required to be placed before the Board for its noting and/or approval, information is



provided on various significant items. In terms of quality and importance, the information supplied by Management to the Board of the Company is far ahead of the list mandated under Clause 49 of the Listing Agreement.

#### **ORDERLY SUCCESSION TO BOARD AND SENIOR MANAGEMENT**

The Board of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

#### **BOARD AGENDA**

The Board meeting are scheduled well in time and Board members are given a notice of more than a month before the meeting date except in case of emergent meeting. The Board members are provided with well structured and comprehensive agenda papers.

#### **INDEPENDENT DIRECTORS**

The Company has complied with the definitions of independence as per Clause 49 of the Listing Agreement and according to the Provisions of Section 149(6) of the Companies Act, 2013. The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013 and Clause 49 of the Listing Agreement.

#### **MEETING OF INDEPENDENT DIRECTORS AND ATTENDANCE RECORD**

Independent Directors to meet at least once in a year to deal with matters listed out in Schedule IV and Clause 49 of the Listing Agreement which inter-alia includes, review the performance of non-independent directors, chairman and the Board as a whole and assess quality and quantity of flow of information to perform the duties by the Board of Directors.

##### **Attendance Record of Meetings of Independent Directors**

<b>Name of the Director</b>	<b>Number of Meetings held</b>	<b>Number of Meetings attended</b>
Sri V.K.Sharma	1	1
Sri B.G. Paul	1	1
Sri Abhijit Sarkar	1	1

#### **DIRECTORS' INTEREST IN THE COMPANY**

Sometime, the Company do enter into contracts with companies in which some of the Directors of the Company are interested as director or member. However, these contracts are in the ordinary course of the Company's business without giving any specific weightage to them. Directors regularly make full disclosures to the Board of Directors regarding the nature of their interest in the companies in which they are directors or members. Full particulars of contracts entered with companies in which directors are directly or indirectly concerned or interested are entered in the Registrar of Contracts maintained under Section 189 of the Companies Act, 2013 and the same is placed in every Board Meeting for the noting of the Directors.

## **BOARD DIVERSITY POLICY**

In compliance with provisions of clause 49 of Listing Agreement, the Board through its Nomination and Remuneration Committee has devised a Policy on Board Diversity. The objective of the Policy is to ensure that the Board is comprised of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. It may be noted that, the Board composition as at present broadly meets with the above objective.

## **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement the Board has carried out an annual performance evaluation of its own performance, and that of its Committees and individual directors.

## **WHISTLE BLOWER POLICY**

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure whistle blowing system for directors and employees of the Company to raise concern.

The Whistle Blower Policy provides a mechanism for the director/employee to report violations, without fear of victimization of any unethical behavior, suspected or actual fraud, violation of the Code of Conduct etc. which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice.

The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee. The said Policy is placed on the Company's website [www.nationalplywood.net](http://www.nationalplywood.net).

## **COMMITTEES OF THE BOARD**

### **A. AUDIT COMMITTEE**

- (i) The Audit Committee consists of four Non-Executive Directors among which three are Independent Directors. The terms of reference to the Audit Committee are as per the guidelines set out in the listing agreement with the Stock Exchanges read with Section 177 of the Companies Act, 2013. These broadly include review of financial reporting systems, internal control systems, ensuring compliance with regulatory guidelines, discussions on quarterly/half yearly/annual financial results, interaction with statutory, internal and cost auditors and appointment and removal of Internal Auditors.
- (ii) During the year ended 31<sup>st</sup> March, 2015, the Audit Committee held 4 meetings 30<sup>th</sup> May, 2014, 30<sup>th</sup> July, 2014, 31<sup>st</sup> October, 2014 and 29<sup>th</sup> January, 2015.
- (iii) Details of the composition of the Audit Committee and the attendance at the Meetings held are as follows:

<b>Name of Committee Member</b>	<b>Category</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Sri V.K. Sharma	Chairman, Non-Executive Director	4	4
Sri P. Periwal	Member ,Executive Director	4	4

Sri B. G. Jaju	Independent & Non-Executive Director	4	4
Sri Abhijit Sarkar	Independent & Non-Executive Director	4	4

Sri N.G. Paul, Member, has resigned from the Audit Committee and Sri S.K. Jain, Compliance Officer of the Company will be the Secretary of the Audit Committee.

(iv) At the invitation of the Committee, Internal Auditors, Statutory Auditors and the Compliance Officer who as the Secretary to the Audit Committee also attends the meetings as and when required to respond to the queries raised at the Committee Meetings.

(v) Terms & Reference of Audit Committee

The following are the terms of reference for the Audit Committee which cover the powers, role and responsibility of the Audit Committee

- (i) Overview of the Company's financial reporting process and financial information disclosures;
- (ii) Review with the Management, of the annual and quarterly financial statements before submission to the Board;
- (iii) Review with the Management, of the internal and external Audit Reports and the adequacy of internal control systems over financial reporting and the effectiveness of its operations;
- (iv) Review of the adequacy and effectiveness of accounting and financial controls of the Company compliance with the Company's policies and applicable laws and regulations;
- (v) Recommending the appointment and removal of Internal and Statutory Auditors and their remuneration;
- (vi) Review and monitoring of the auditors' independence and performance, and effectiveness of the audit process;
- (vii) Approval of transactions of the Company with related parties and any subsequent modification of such transactions;
- (viii) Evaluation of internal financial controls and the process of evaluation of enterprise-wide risk and its mitigation;
- (ix) Review the functioning of the whistle blower mechanism;
- (x) Approval of appointment of the Chief Financial Officer and other Key Managerial Personnel after assessing the qualifications, experience and background etc. of the candidate;
- (xi) Review of utilization of proceeds raised from public/rights issues, if any.

## **B. NOMINATION AND REMUNERATION COMMITTEE**

During the year under review the nomenclature of the Remuneration Committee was changed to Nomination and Remuneration Committee pursuant to Section 178 of the Companies Act, 2013 and the revised Clause 49 of the listing agreement. The Nomination and Remuneration Committee consists of the members stated below. During the year ended 31<sup>st</sup> March, 2015, two meeting of the Nomination and Remuneration Committee were held.

Name of Committee Member	Category	No. of Meetings held	No. of Meetings attended
Sri V.K. Sharma	Chairman, Non-Executive Director	2	2
Sri B. G. Jaju	Independent & Non-Executive Director	2	2
Sri Abhijit Sarkar	Independent & Non-Executive Director	2	2

**Terms & Reference of the Committee:**

- (i) Formulation of the criteria for determining qualification, positive attributes and Independence of Directors;
- (ii) Recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees in accordance with the provisions of the Section 178(4) of the Companies Act, 2013;
- (iii) Formulation of criteria for evaluation of the Independent Directors and the Board and carry out an evaluation of every Director's performance;
- (iv) Devising a policy on Board diversity;
- (v) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

**C. STAKEHOLDER RELATIONSHIP COMMITTEE**

During the year under review the nomenclature of the Shareholder / Investor Committee was changed to Stakeholder Relationship Committee pursuant to Section 178 of the Companies Act, 2013. The Stakeholder Relationship Committee of the Directors consists of two Independent Directors and one Non-executive Director. Details of the attendance at the meeting held are as follows:

Name of Committee Member	Category	No. of Meetings held	No. of Meetings attended
Sri V.K. Sharma	Chairman,	2	2
Sri P.Periwal	Member	2	2
Sri Abhijit Sarkar	Member	2	2

The role of the Committee is to consider and resolve the grievances of security holders and perform such roles as may require under the Companies Act, 2013 and Clause 49 of the Listing Agreement. Continous efforts are made to ensure that grievances are expeditiously redressed to the satisfaction of investors. A status report of shareholders complaints and redressal thereof is prepared and placed before Stakeholders Relationship/Grievance Committee of Directors.

#### **D. SHARE TRANSFER COMMITTEE**

The Committee comprising of Shri Vinod Kumar Sharma, Sri Abhijit Sarkar, Sri B. G. Jaju, Sri N.G.Paul, Directors of the Company. Sri Vinod Kumar Sharma was the Chairman of the Committee. The Committee has been given the powers to deal with all the matters related to transfer, transmission, issuance of duplicate certificates, split and/or consolidation requests. In addition, the Company Secretary and certain officials of the Company have been given the powers to endorse registration of share transfers and transmission of share certificates. The Committee meets at frequent intervals as and when required.

#### **REGISTRAR AND TRANSFER AGENTS AND SHARE TRANSFER SYSTEM**

M/s. Maheshwari Datamatics Pvt Ltd., Registrar & Share Transfer Agent deal with the matters related to shares, whether physical or in demat form and dividends, if any. The communications received from the shareholders are generally pertaining to change of address, non-receipt of dividend warrants, annual reports, bank mandates, revalidation of dividend warrant / consolidation / split / remat / transmission of shares etc., these have been addressed and redressed to the satisfaction of the shareholders by Registrar & Share Transfer Agents to

M/s. Maheshwari Datamatics Pvt Ltd.  
6<sup>th</sup> Mangoe Lane, 2<sup>nd</sup> Floor  
Kolkata- 700 001  
Tel. : 2243-5809/5029  
Fax: 2248-4787  
E-mail: [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in)

Trading in Equity shares of the Company is permitted as demat as well as physical form. Shares sent for transfer in physical form are registered and returned within a period of 30 days from the date of receipt of the documents, provided documents are valid and complete in all respects. The Stakeholders Relationship/Grievance Committee meets as and when required to consider the other transfer, transmission of shares and to attend shareholder Grievance.

#### **REMUNERATION TO DIRECTORS**

The Company has no stock option plans for the directors and hence, it does not form a part of the remuneration package payable to any executive and/or non-executive director. During the year under review, none of the directors was paid any performance-linked incentive.

The Company has paid to the Directors Rs. 1,500/- as sitting fees for attending each meeting of the Board and Rs. 1,500/- for attending each meeting of the Audit Committee.

#### **REMUNERATION TO THE DIRECTORS / KEY MANAGERIAL PERSONNEL(KMP):**

SL. NO.	Name of Director	Designation	Remuneration in 2014-15
01	Sri Piyush Periwal	Vice-Chairman & Managing Director	Rs.9.00 Lacs p.a.
02	Sri N.G. Paul	Whole-time Director	Rs.3.00 Lacs p.a.
03	Sri V.K. Sharma	Independent Director	-
04	Sri V.K.Periwal	Director	-
05	Miss Malvika Periwal	Woman Director	-
06	Sri Abhijit Sarkar	Independent Director	-
07	Sri B.G. Jaju	Independent Director	-

In 2014-15, the Company did not advance any loans to nay of the non-executive directors and/or Managing Director. Details of remuneration paid/payable to directors during 2014-15 are provided in an annexure to the Directors report in Form MGT-9.

There were no pecuniary transactions with any non-executive director of the Company.

### **REGISTER OF CONTRACTS**

The register of contracts is maintained by the Company under Section 301 of the Companies Act, 1956 & Section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

### **ANNUAL GENERAL MEETINGS**

a) Information about last three Annual General Meetings:

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Location At: Registered Office of the Company.</b>
2011-12	28/09/2012	2.30 PM.	Makum Pathar, Margherita, Tinsul Assam
2012-13	27/09/2013	12.30 PM	Makum Pathar, Margherita, Tinsukia, Assam
2013-14	29/09/2014	3.00 PM	Makum Pathar, Margherita, Tinsukia, Assam

- b) All the resolutions, including Special Resolutions as set out in the respective Notices were passed by shareholders in their General Meetings.
- c) Postal Ballot Resolutions: No resolution was passed through Postal Ballot during the year.
- d) Resolutions to be passed at the ensuing Annual General Meeting of the Company are not proposed to be put through postal ballot. However, for other special resolutions, if any, in the future, the same will be decided at the relevant time.
- e) Presently there is no proposal for passing any Resolution through Postal Ballot in the ensuing AGM.

### **DISCLOSURES**

- a) All related party transactions have been entered into in the ordinary course of business and were also placed periodically before the Audit Committee in summary form. There were no material individual transaction with related parties which were not in the normal course of business required to be placed before the audit committee nor were there any transaction that may have had a potential conflict with the interests of the Company. All individual transactions with related parties or others were at arm's length.
- b) All mandatory accounting standards have been followed in the preparation of financial statements and no deviation has taken place.
- c) No money was raised by the Company through any public issue, rights issue, preferential issue etc in the last financial year.
- d) The Management Discussion and Analysis Report forms part of the Annual Report to the Shareholders and it includes discussion on matters stated in Clause 49 of the Listing Agreement with the Stock Exchange(s).
- e) There were no material financial and commercial transactions by senior management as defined in Clause 49 of the Listing Agreement where they have personal interest that may

have a potential conflict with the interests of the Company any requiring disclosure by them to the Board of Directors.

- f) No penalties or strictures have been imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets during the last three years.

#### **COMPLIANCES REGARDING INSIDER TRADING**

The Company had in place a 'Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices', in accordance with the SEBI (Prohibition of Insider Trading ) Regulations, 1992 as amended. These regulations have been substituted by SEBI with a new set of Regulations, which has come into effect from 15 May 2015.

Regulation 8 of the newly introduced Regulations, required the Company to formulate a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), which the Company needs to follow in order to adhere to each of the principles set out in Schedule A to the said Regulations. A declaration has been given by Sri Piyush Periwal, Managing Director of the Company affirming compliances with the Code of Conduct for the year ended 31<sup>st</sup> March, 2015.

#### **MEANS OF COMMUNICATION**

The Company regularly interacts with the shareholders through multiple channels of communication such as publication of results on quarterly, half yearly basis and yearly basis. The results are not sent individually to the Shareholders. Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end, the quarterly results of the Company were announced within forty five days of the end of each quarter for the first three quarters. The audited annual results along with the results for the fourth quarter were announced within sixty days of the end of the financial year.

All these results, including the entire Report and Accounts, information relating to shareholding pattern, compliance with corporate governance norms etc. are posted on Company's website [www.nationalplywood.net](http://www.nationalplywood.net).

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT FORMS A PART OF THE ANNUAL REPORT**

#### **GENERAL SHAREHOLDER INFORMATION**

##### **Annual General Meeting**

<b>DATE</b>	29 <sup>TH</sup> SEPTEMBER, 2015
<b>TIME</b>	2.30 P.M.
<b>VENUE</b>	Registered Office of the Company at Makum Pathar, Margherita, Tinsukia, Assam.

##### **FINANCIAL CALENDAR:**

First Quarter Results	By 30 <sup>th</sup> July, 2015
Second / Half Yearly Results	By 30 <sup>th</sup> October, 2015
Third Quarter Results	By 30 <sup>th</sup> January, 2016
Un-audited/Audited Results for the year ending 31st March, 2015	By 30 <sup>th</sup> May, 2016

Dividend Payout Date	N. A.
Dates of Book Closure	22 <sup>nd</sup> September,2015 to 29 <sup>th</sup> September,2015 (both days inclusive)
Listing on Securities	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.  CSE Limited, 7 Lyons Range, Kolkata- 700001  The Annual Listing Fees from the Year 2014- 15 has not been paid
Company's Website	www.nationalplywood.net
ISIN allotted to Equity Shares	INE497C01016
Corporate Identity Number (CIN)	L20211AS1973PLC 001856.
Listing Fee	Listing fee has been paid for the Financial Year 2013-14.

#### Distribution of Shareholding as on 31<sup>st</sup> March, 2015

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholders
Upto 500	5028	90.7581	1051399	17.9611
501 to 1000	308	5.5596	261761	4.4717
1001 to 2000	108	1.9495	167950	2.8691
2001 to 3000	28	.5054	70100	1.1975
3001 to 4000	5	.0903	17400	.2972
4001 to 5000	13	.2347	61900	1.0574
5001 to 10,000	13	.2347	82000	1.4008
10001 and Above	37	.6679	4141240	70.7451
<b>TOTAL</b>	<b>5540</b>	<b>100.00</b>	<b>5853750</b>	<b>100.00</b>

#### Categories of shareholding as on 31<sup>st</sup> March, 2015

Category	No. of Shares held	% of Shareholders
Individuals	2637160	70.70
Bodies Corporate	159490	4.27
Non Resident Bodies Corporate	726554	19.47
FIIS	0	0
NRI/OCBs	0	0



<b>Mutual Funds</b>	<b>0</b>	<b>0</b>
<b>Bank, Financial Institutions &amp; Insurance Companies</b>	<b>207260</b>	<b>5.56</b>
<b>TOTAL</b>	<b>3730464</b>	<b>100.00</b>
<b>Promoters</b>	<b>2637160</b>	<b>70.34</b>
<b>Non- Promoters</b>	<b>1112000</b>	<b>29.66</b>
<b>TOTAL</b>	<b>3749160</b>	<b>100.00</b>

### **DEMATERIALIZATION OF SHARES AND LIQUIDITY**

From the total Equity Share Capital of the Company, 67.85% of the Company's paid up Equity Share Capital is in dematerialized form as on 31-03-2015 and the balance are in physical form. Trading in shares of National Plywood Industries Limited is available in dematerialized form.

### **PLANT LOCATIONS**

- 1) At Hosur: Thally Road, Kalukondapally, Tamilnadu
- 2) At Margherita: Makum Pathar, Margherita, Dist.: Tinsukia, Assam.

### **INVESTOR CORRESPONDENCE**

M/s. Maheshwari Datamatics Pvt.Ltd. 6 Mangoe Lane, 2<sup>nd</sup> Floor, Kolkata- 700001.

Tel. : 2243-5809/5029

Fax: 2248-4787

E-mail: [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in)

### **VOTING THROUGH ELECTRONIC MEANS**

Pursuant to Section 108 of the Companies Act, 2013 and the Rules made thereunder, every listed company is required to provide its members facility to exercise their right to vote at general meetings by electronic means.

The Company has entered into an arrangement M/s. Maheshwari Datamatics Pvt.Ltd., the authorized agency for this purpose, to facilitate such e-voting for its members.

The Shareholders would therefore be able to exercise their voting rights on the items put up in the Notice of annual general meeting, through such e-voting method. Further, in accordance with the Companies (Management and Administration) Rules, 2014 as amended, the Company shall also be making arrangements to provide for e-voting facility at the venue of the annual general meeting.

Shareholders who are attending the meeting and who have not already cast their votes by remote e-voting shall only be able to exercise their right of voting at the meeting.

Cut-off date, as per the amended Rules shall be 19 August 2015 and the remote e-voting shall be open for a period of three(3) days, from 24<sup>th</sup> September 2015 (10.00 a.m.) till 26<sup>th</sup> September 2015(5.00 p.m.). The Board has appointed Mr. S. M. Gupta as Scrutiniser for the e-voting process.

Detailed procedure is given in the Notice of the 40<sup>th</sup> Annual General Meeting and is also placed on the website of the company.

### **CODE OF CONDUCT**

The Company has laid down a Code of Conduct applicable to all Board members and senior management personnel for avoidance of conflicts of interest between each of the above individuals and the Company. All the Board members and senior management personnel have affirmed

compliance with the Code of Conduct as at the end of each Financial Year. The required declarations in respect of the financial year 2014-15 have been received from all Board members and senior management personnel. There were no materially significant transaction as defined in Clause 49 of the Listing Agreement during the financial year with Board members and senior management staff, including their relatives that had or could have had a potential conflict with the interest of the Company at large.

The Code of Conduct is available on the website of the Company.

**COMPLIANCE OF MANDATORY AND NON-MANDATORY REQUIREMENTS UNDER CLAUSE 49**

**MANDATORY**

The Company has complied with all the mandatory requirements of clause 49 of the revised Listing Agreement.

**NON-MANDATORY**

**The Company has also complied with all the non-mandatory requirements as under:**

**1. The Board**

The Chairman has a separate office at the Company's premises and is allowed reimbursement of expenses incurred in performance of his duties. There is separate Board Room at the Company's premises for holding Board Meeting.

**2. Shareholder rights**

Half-yearly Financial Results including summary of significant events are presently not being sent to shareholders of the Company.

**3. Audit Qualifications**

There are no qualifications in the Financial Statements of the Company for the year 2014-15. Every endeavour is made to make the financial statements without qualification.

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I, PIYUSH PERIWAL, Chairman of the Company NATIONAL PLYWOOD INDUSTRIES LIMITED, hereby declare that all the Members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2015.

Place:Kolkata

Date:30<sup>th</sup> July,2015

  
PIYUSH PERIWAL  
CHAIRMAN

NATIONAL PLYWOOD INDUSTRIES LIMITED

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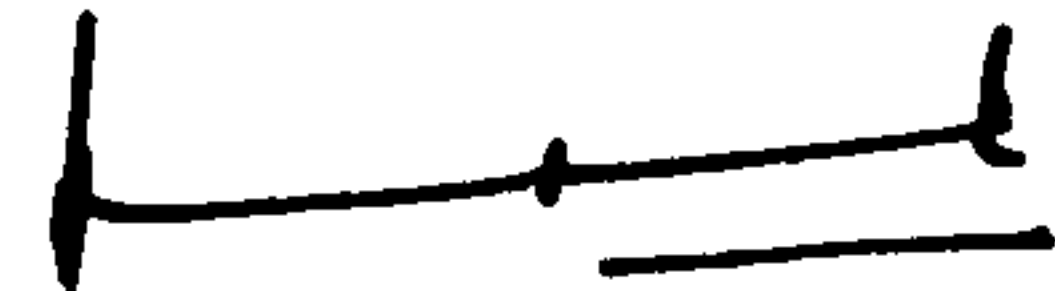
## CHAIRMAN & CEO/CFO CERTIFICATION

I, Piyush Periwal, Chairman of National Plywood Industries Limited, to the best of my knowledge and belief, certify that :

- a) I have reviewed the Financial Statements and Cash Flow Statements for the year ended 31<sup>st</sup> March, 2015 and to the best of our Knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations
- b) There are, to the best of my knowledge and belief, no transaction entered into by the Company during the year are fraudulent, illegal or violate the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal control for the financial reporting and that I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I was aware and the steps I have taken or proposed to take to rectify these deficiencies.
- d) I have indicated to the Auditors and the Audit Comiittee :
  - (i) Sighnificant Changes in Internal Control during the year.
  - (ii) Sighnificant Changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements: and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control.

**Date: 31<sup>ST</sup> JULY, 2015**

**Place: Kolkata**



**Piyush Periwal**   
**Vice-Chairman & Managing Director**  
**DIN:00705828**

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## OVERVIEW

National Plywood Industries Limited is a pioneer in the Indian Plywood Industry and one of the first few manufacturers to venture into producing a wide range of plywood products. Its plywood products are sold across the nation and have a strong predominance in the market because of best quality and constant upgradation through research and development.

## OUTLOOK

The Economic slowdown had a significant bearing on the functioning and profitability trading businesses in the medium term. But it has been estimated that in the long run there are vast opportunities for trading entities. Hence, the Company is expecting to improve its performance and profitability in years to come.

## HUMAN RESOURCE MANAGEMENT AND INDUSTRIAL RELATIONS

The well disciplined workforce which has served the Company lies at the very foundation of the Company's major achievements and shall well continue for the years to come. The Company recognises the importance of Human Resource as a key asset instrumental in its growth. The Company continues to give priority to its human assets. The Company is continuously working to create and nurture an atmosphere which is highly motivated and result oriented. Decisions on recruitment, career development, training, promotion, rewards, and other employment related issues are made solely on the ground of individual ability, achievement, expertise and conduct and these principles are operated on a non-discriminatory basis.

We have made further progress on Health and Safety both in terms of safe working practices and the reporting performance by implementation of standards for vehicles and machine safety, ergonomics initiatives, wearing protective equipments, regular safety audits etc. Also managing environment impact is a matter of priority and therefore continuous care for the environment, responsible disposal of wastes and development of local co-operatives are engaged into.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly *maintaining the books of accounts and reporting financial statements*. The Audit Committee of the Company also periodically reviews internal controls and takes remedial measures whenever necessary.

The Company has robust internal control systems in place which are commensurate with the size and nature of business. The internal controls are aligned with systems statutory requirements and designed to safeguard the assets of the Company. Apart from self monitoring of the internal controls, there is Chartered Accountant firm appointed to conduct internal audit of the Company's operations as per audit plan approved by the Audit Committee. The Audit Committee takes due cognizance of the observations made by the auditors and give their suggestions for improvement. The suggestions of the Audit Committee further ensures the quality and adequacy of the control.

## OPPORTUNITIES

Business Opportunities for trading companies are enormous as the new areas and segments are being explored. Your Company on its part is also well poised to seize new opportunities as they come. The opportunities observed are based on the trends noticed in the past couple of years, which continues to be relevant. Some of the key ones are as follows:

- Domestic market to get boosted due to Government focus on "Digital India" and "make in India".
- The Company is looking forward to the expansion of the market in the upcoming areas of the country.
- Company has sufficient spare capacity to cater the increase demand of its products (if any).

The major threat being faced by trading companies are change in taste and preference of customers, fall in demand, high inflation etc. The Country is also facing stiff competition from competitors due to their ability to procure materials at a lower cost which enable them to provide materials at much cheaper rate.

- **Forex Risk:** Since a major portion of raw material is imported, fluctuation in forex rate is also a risk to business.
- **Credit Risk:** Company's products are sold on credit and as such credit risk is an inherent risk to the business.
- **Cost of Capital Risk:** the Company has substantial borrowings, both term loan and working capital loan from banks, an increase in interest rates will affect profitability.

#### **BUSINESS RISK MANAGEMENT**

Although the Company has long been following the principle of risk minimization as is the norm in every industry it has now become a compulsion.

Therefore, in accordance with Clause 49 of the Listing Agreement the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the Company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Raw Material, Investments, retention of talent and expansion of facilities.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk, forex risk, credit risk, insurable risk, cost of capital risk, risk from substitute products.

#### **FINANCIAL PERFORMANCE**

The Financial Performance of the Company for the year under review is discussed in detail in the Directors Report, for and on behalf of board of directors.

#### **CAUTIONARY STATEMENT**

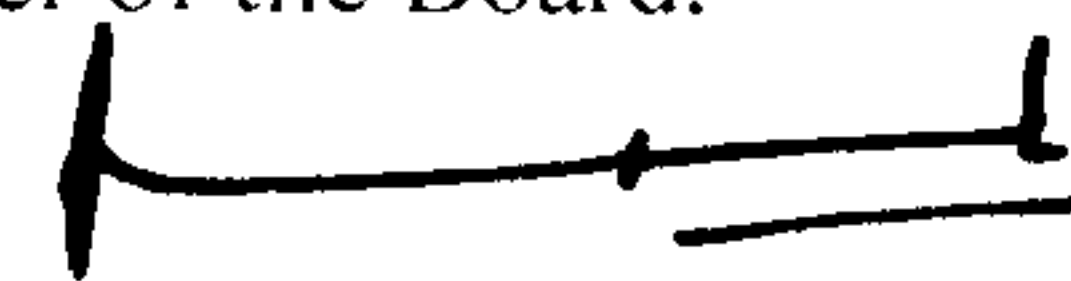
The Statement in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, within the meaning of applicable security law or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials' cost and availability, changes in Government regulations and tax structure, economic developments and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information, or events.

Place : Kolkata

Date: 30<sup>th</sup> July, 2015.

By Order of the Board.



(P.PERIWAL)

Vice-Chairman & Managing Director

DIN: 00698796

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

[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  
National Plywood Industries Limited  
Makum Pather  
Margherita  
Assam - 786187

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NATIONAL PLYWOOD INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of **NATIONAL PLYWOOD INDUSTRIES LIMITED** 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 on 31<sup>st</sup> March, 2015, 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of :-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ['SCRA'] and the rules made there under;  
**(not applicable to the Company during the Audit Period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;**(not applicable to the Company during the Audit Period).**

Contd...2



(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India [Substantial Acquisition of Shares and Takeovers] Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(not applicable to the Company during the Audit Period).**
- e) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the Company during the Audit Period)**
- f) The Securities and Exchange Board of India [Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009; and **(not applicable to the Company during the Audit Period).**
- h) The Securities and Exchange Board of India (Buyback of securities) Regulation, 1998; **(not applicable to the Company during the Audit Period)**

(vi) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws and Regulations. The List of major head/groups of Acts, Laws and Regulations as applicable to the Company inter alia includes :

- Factories Act, 1948;
- Industries (Development & Regulation) Act, 1951;
- Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
- Acts prescribed under prevention and control of pollution;
- Acts prescribed under Environmental protection;
- Acts as prescribed under Direct Tax and Indirect Tax;
- Land Revenue laws of respective States;
- Labour Welfare Act of respective States;
- Trade Marks Act 1999 & Copy Right Act 1957;
- The Legal Metrology Act, 2009;
- Acts as prescribed under Shop and Establishment Act of various local authorities.
- Indian Contract Act'
- Right to information Act
- Constitution of India
- Acts Prescribed by State Legislative Assembly
- The Explosive ACT' 1884

Contd...3



I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India. **(not notified during the audit period hence not applicable to the Company )**
- b. The Listing Agreements entered into by the Company with Stock Exchange(s).

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

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are 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.

Majority decision is carried through while the Dissenting Members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period the Company has not passed any special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This Report is to be read with our letter of even date which is annexed as "Annexure A" and forms as an integral part of this Report.

Place: Kolkata  
Date: 30<sup>th</sup> July'2015



For Maheshwari R & Associates  
Company Secretaries

*Rashmi Maheshwari*  
Rashmi Maheshwari  
Membership No. 5126(FCS)

CP No : 3309



**Maheshwari R & Associates**  
Company Secretaries

“Delta House”  
1<sup>st</sup> Floor, Room No -1D  
4 Government Place (North)  
Kolkata-700 001  
26389129( R)  
Mobile : 9432232757  
Email : rashmi3309@rediffmail.com

**'ANNEXURE A'**

To  
The Members  
National Plywood Industries Ltd.,  
Makum Pather  
Margherita  
Assam – 786187

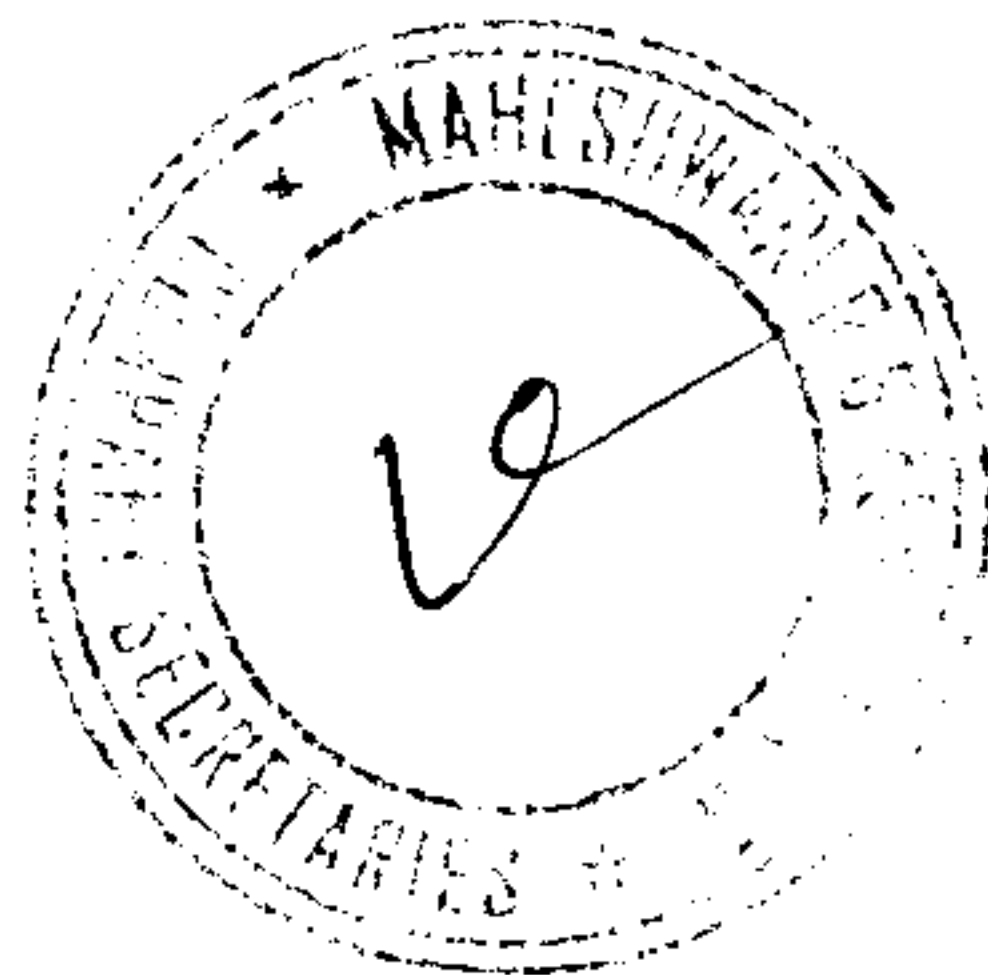
My Report of even data is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. I have relied upon the report of Statutory Auditors regarding Company Act 2013 & Rules made thereunder relating to maintenance of Books of Accounts, papers & Financial Statements of the relevant financial year , which gives true and fair view of the state of affairs of the Company.
4. Wherever required, I have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
5. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards is the 'Responsibility' of Management. Our examination is limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For MAHESHWARI R & ASSOCIATES**  
Company Secretaries

*Rashmi Maheshwari*  
**FCS RASHMIMAHESHWARI**  
(C.P.No.: 3309 of ICSI)

**Place: Kolkata**  
**Date: 30<sup>th</sup> July'2015**



**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE  
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To,  
The Members of  
National Plywood Industries Limited

We have examined the compliance of conditions of Corporate Governance by NATIONAL PLYWOOD INDUSTRIES LTD for the year ended 31st March, 2015, as stipulated in Clause – 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance, as stipulated in the above mentioned Listing Agreement.

We further 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.

Place : Kolkata  
Date : 30th July, 2015



For JHUNJHUNWALA & COMPANY  
Chartered Accountants  
Firm Registration No.302169E.

✓ R. K. JhunJhunwala

( R. K. JHUNJHUNWALA )  
Proprietor  
Membership No. 006604.

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NATIONAL PLYWOOD INDUSTRIES LIMITED

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of National Plywood Industries Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone Financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit/loss and its cash flows for the year ended on that date.



## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The accounts of the branch offices of the Company have been audited by us under Section 143 (8) of the Act and have been properly dealt with by us in preparing this report.
- (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the accounts of the branches
- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) 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 does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

6, Commercial Building  
23 Netaji Subhas Road, Kolkata-700001

Place: kolkata

Date: 30<sup>th</sup> July'2015



For JHUNJHUNWALA and Co.

**Chartered Accountants**

FRN: 302169E

✓ R.K.H. wala,

CA R.K.JHUNJHUNWALA

**Proprietor**

Membership No. : 006604

## ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of National Plywood Industries Limited. on the accounts of the company for the year ended 31<sup>st</sup> March, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Act. Consequently, clauses 3(a) and 3(b) are not applicable.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or



arrangements referred to in section 189 of the Act have been entered in the register required to be maintained under that section.

6. The Company has not accepted any deposits from the public .
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act,2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2015 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there is an amount payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does have accumulated loss and has incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.





17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2015, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

6, Commercial Building  
23 Netaji Subhas Road, Kolkata-700001

Place: kolkata

Date: 30<sup>th</sup> July'2015

For JHUNJHUNWALA and Co.

**Chartered Accountants**

FRN: 302169E

✓ *R.K. JhunJhunwala*

CA R.K.JHUNJHUNWALA

**Proprietor**

Membership No. : 006604



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF NATIONAL PLYWOOD INDUSTRIES LIMITED**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of National Plywood Industries Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone Financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

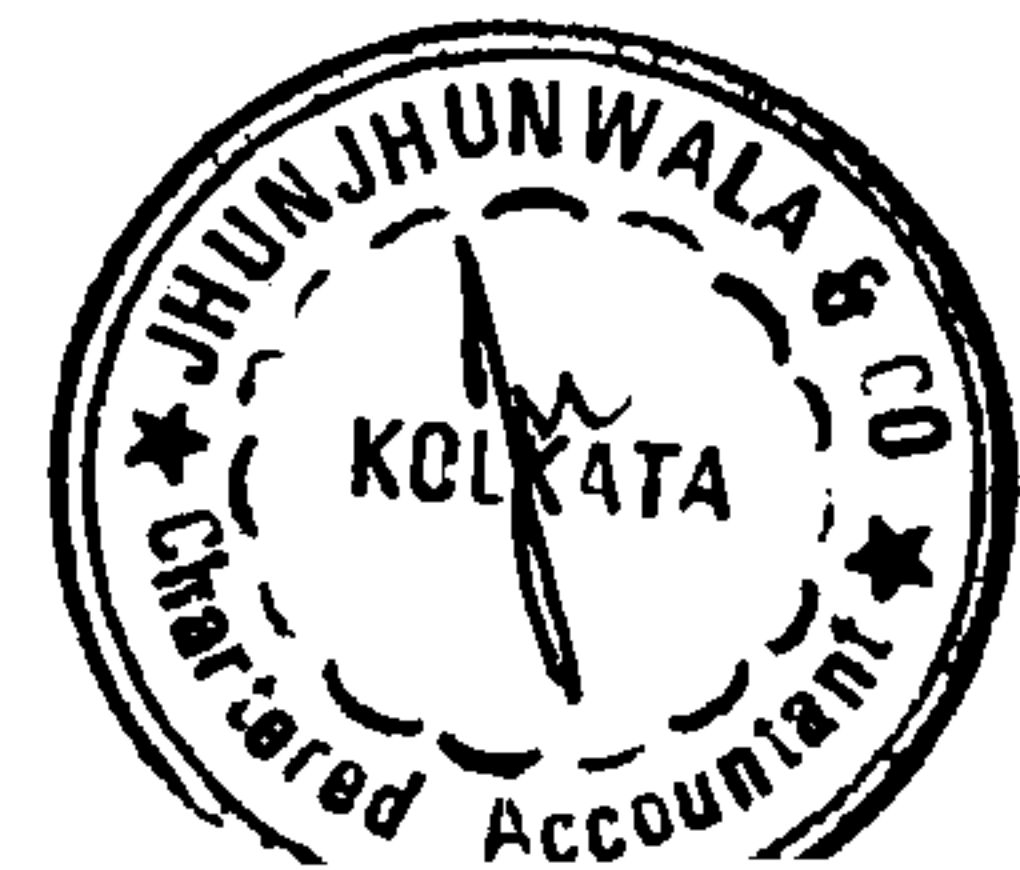
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit/loss and its cash flows for the year ended on that date.



## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The accounts of the branch offices of the Company have been audited by us under Section 143 (8) of the Act and have been properly dealt with by us in preparing this report.
- (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the accounts of the branches
- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) 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 does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

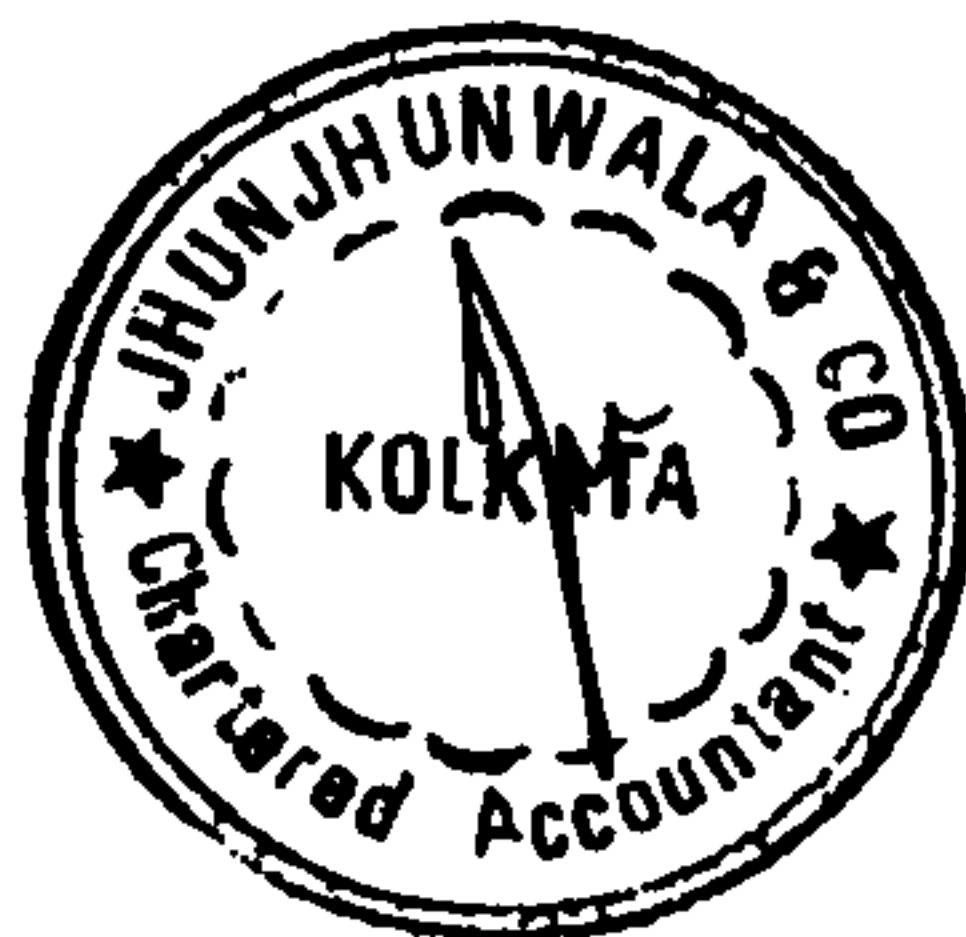


- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

6, Commercial Building  
23 Netaji Subhas Road, Kolkata-700001

Place: kolkata

Date: 30<sup>th</sup> July'2015



For JHUNJHUNWALA and Co.

**Chartered Accountants**

FRN: 302169E

✓ R. K. J. H. wala

CA R.K.JHUNJHUNWALA

**Proprietor**

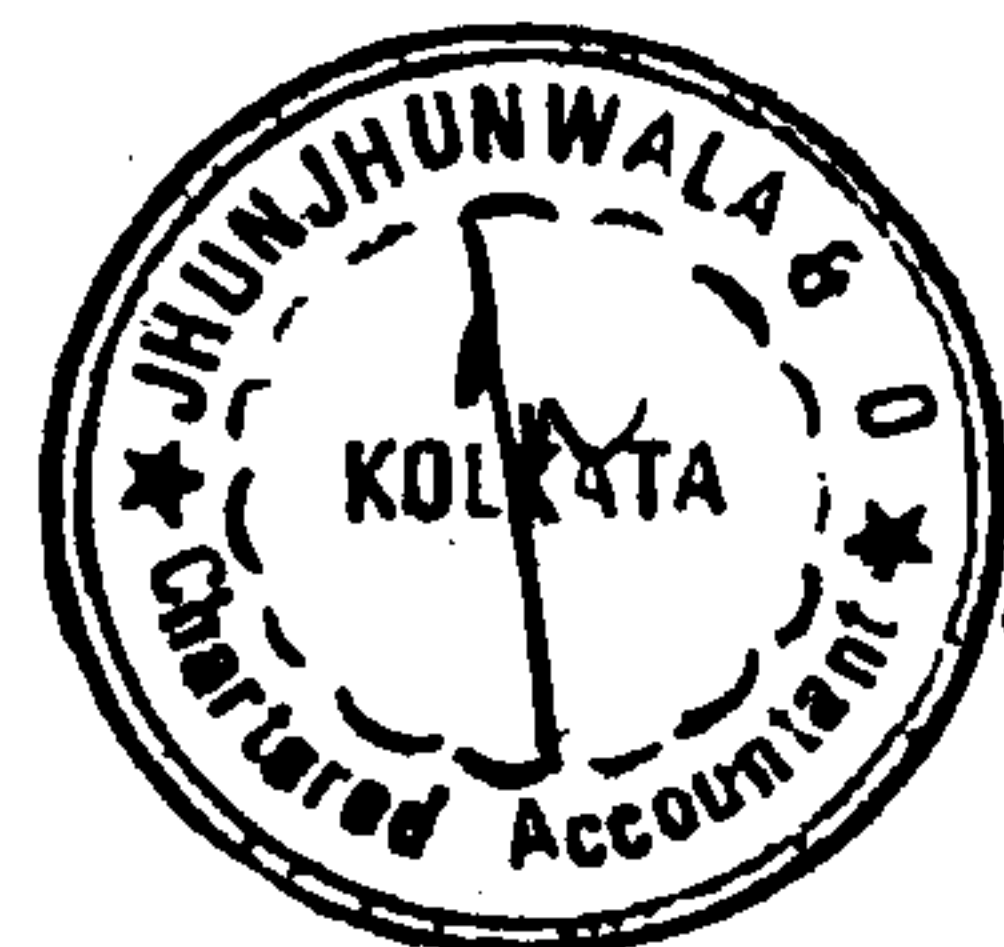
Membership No. : 006604

## ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of National Plywood Industries Limited. on the accounts of the company for the year ended 31<sup>st</sup> March, 2015.

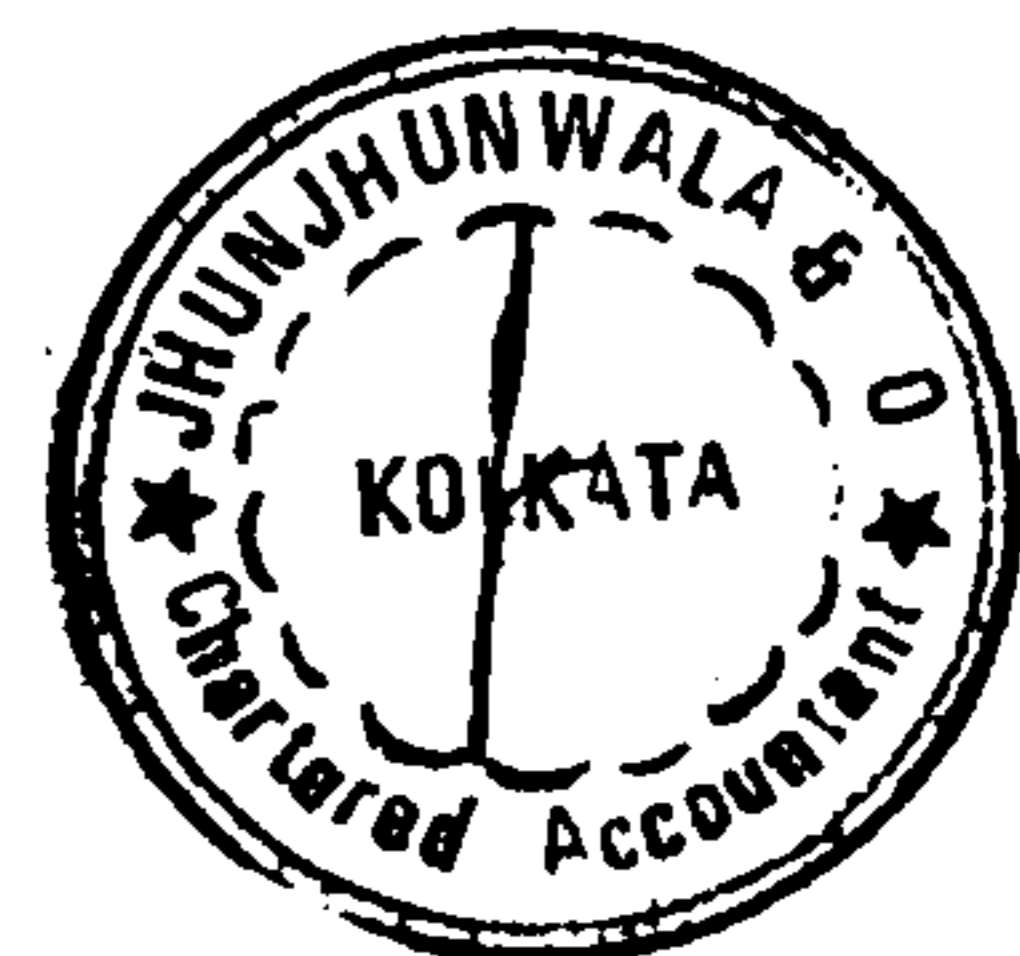
On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Act. Consequently, clauses 3(a) and 3(b) are not applicable.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or



arrangements referred to in section 189 of the Act have been entered in the register required to be maintained under that section.

6. The Company has not accepted any deposits from the public .
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act,2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2015 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there is an amount payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does have accumulated loss and has incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.



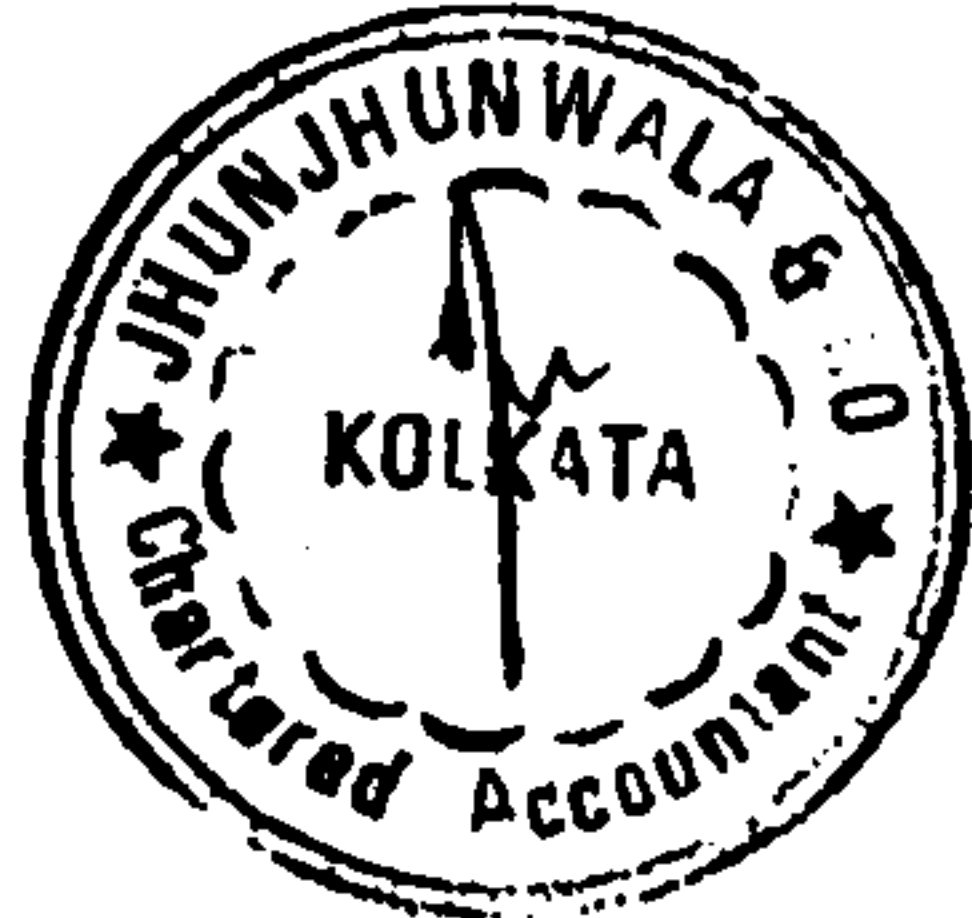
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2015, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

6, Commercial Building

23 Netaji Subhas Road, Kolkata-700001

Place: kolkata

Date: 30<sup>th</sup> July'2015



For JHUNJHUNWALA and Co.

Chartered Accountants

FRN: 302169E

A handwritten signature in black ink, appearing to read "R.K. Jhunjunwala".

CA R.K.JHUNJHUNWALA

Proprietor

Membership No. : 006604



M/s NATIONAL PLYWOOD INDUSTRIES LIMITED

Balance Sheet as at 31.03.2015

( Amount in Rs)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
Share capital	2	58,537,500	58,537,500
Reserves and surplus	3	-482,336,671	-788,783,431
<b>2 Non-current Liabilities</b>			
Long-term borrowings	4	137,290,739	142,703,571
Long term Provisions	5	77,045,059	67,735,059
<b>3 Current liabilities</b>			
Short-term borrowings	6	5,842,545	442,661,383
Trade Payables	7	316,750,093	244,888,290
Other current liabilities	8	306,425,898	296,289,603
<b>TOTAL</b>		<b>419,555,163</b>	<b>64,031,975</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
Fixed assets			
Intangible assets	9	67,410,000	67,410,000
Tangible assets	9	54,200,886	42,059,563
Capital Work in Progress	9	-	17,397,299
Non-Current Investment	10	105,000	105,000
Long-term loans and advances	11	25,386,016	33,519,363
<b>2 Current assets</b>			
Inventories	12	97,145,559	127,838,095
Trade receivables	13	160,749,727	159,674,781
Cash and cash equivalents	14	3,087,418	2,588,516
Short-term loans and advances	15	11,470,557	13,439,358
<b>TOTAL</b>		<b>419,555,163</b>	<b>464,031,975</b>

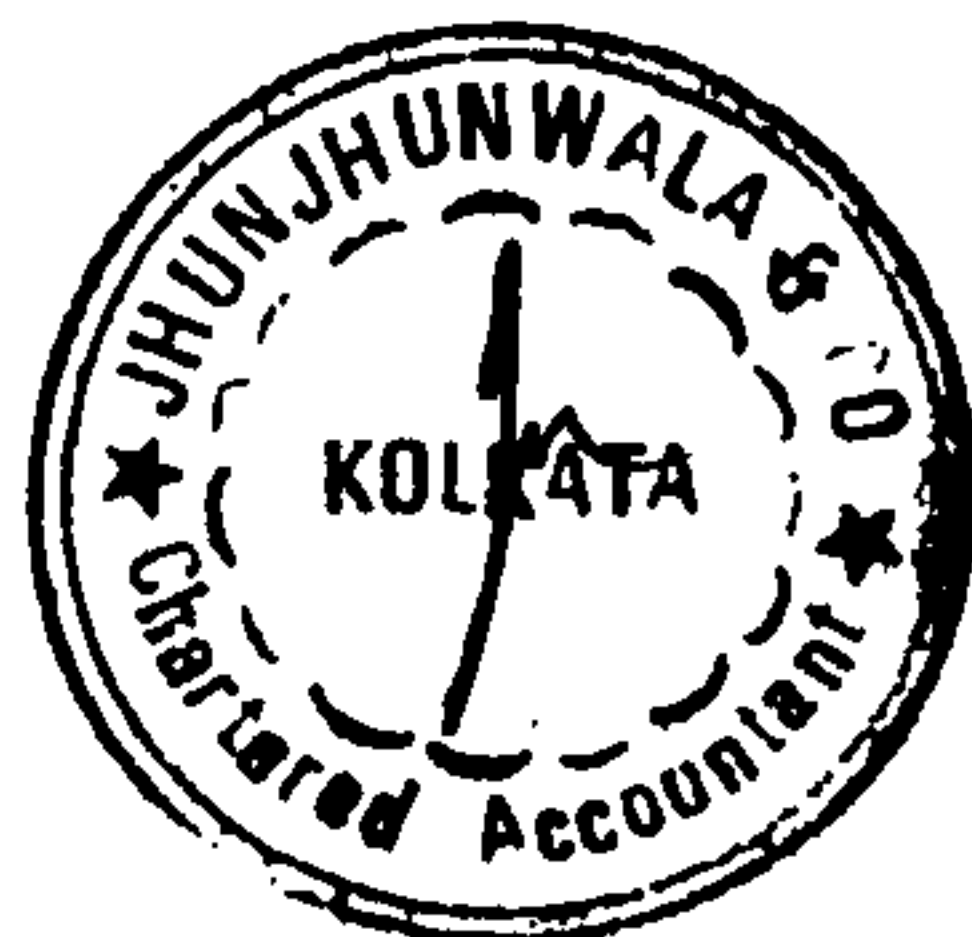
Significant Accounting Policies  
Notes on Financial Statements  
As per our report of even date

1  
2 to 34

For JHUNJHUNWALA & CO  
Chartered Accountants  
Firm Reg no: 302169E

✓ *R. K. Jhunjunwala*

CA. R K JHUNJHUNWALA  
Proprietor  
Membership No. 006604  
Place: Kolkata  
Date: 30th July, 2015



Directors

*Bhujari*

M/s NATIONAL PLYWOOD INDUSTRIES LIMITED

Statement of Profit and Loss for the year ended 31.03.2015

( Amount in Rs)

Particulars	Note	For the year ended 31st March 2015	For the year ended 31st March 2014
I. Revenue from operations	16	387,853,666	430,184,133
II. Other income	17	437,237,362	2,389,204
<b>III. Total Revenue (I + II)</b>		<b>825,091,028</b>	<b>432,573,337</b>
IV. Expenses:			
Cost of material Consumed	18	203,724,221	134,085,605
Purchase of Stock -in-trade		205,486,704	242,025,682
Changes in inventories of stock-in-Trade	19	25,379,593	-2,847,132
Employee benefits expense	20	27,686,216	25,546,276
Financial Expenses	21	699,855	637,688
Depreciation and Amortisation Expenses	22	3,075,050	2,652,603
Other expenses	23	52,592,629	32,736,032
Total expenses		518,644,268	434,836,754
<b>V Profit before tax</b>		<b>306,446,760</b>	<b>-2,263,417</b>
VI Tax expense:			
(1) Current tax(No MAT as per SICK Company Act)		-	-
(2) Income Tax adjustment for earlier year		-	-
<b>VII Profit (Loss) for the period (V - VI)</b>		<b>306,446,760</b>	<b>-2,263,417</b>
VIII Earnings per equity share:			
(1) Basic	26	52.35	-0.39
(2) Diluted	26	52.35	-0.39

Significant Accounting Policies  
Notes on Financial Statements  
As per our report on even date

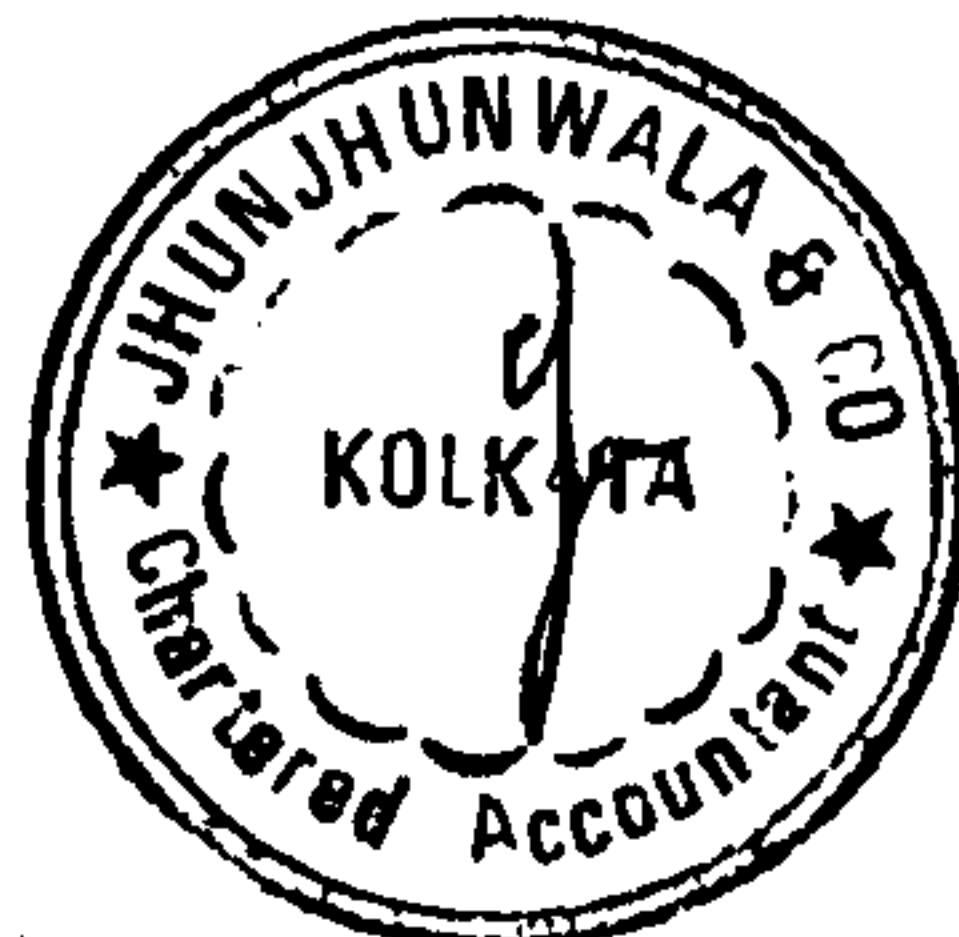
1  
2 to 34

For JHUNJHUNWALA & CO  
Chartered Accountants  
Firm Reg no: 302169E

✓ R. K. JhunJhunwala

CA. R K JHUNJHUNWALA  
Proprietor  
Membership No. 006604

Place: Kolkata  
Date: 30th July, 2015



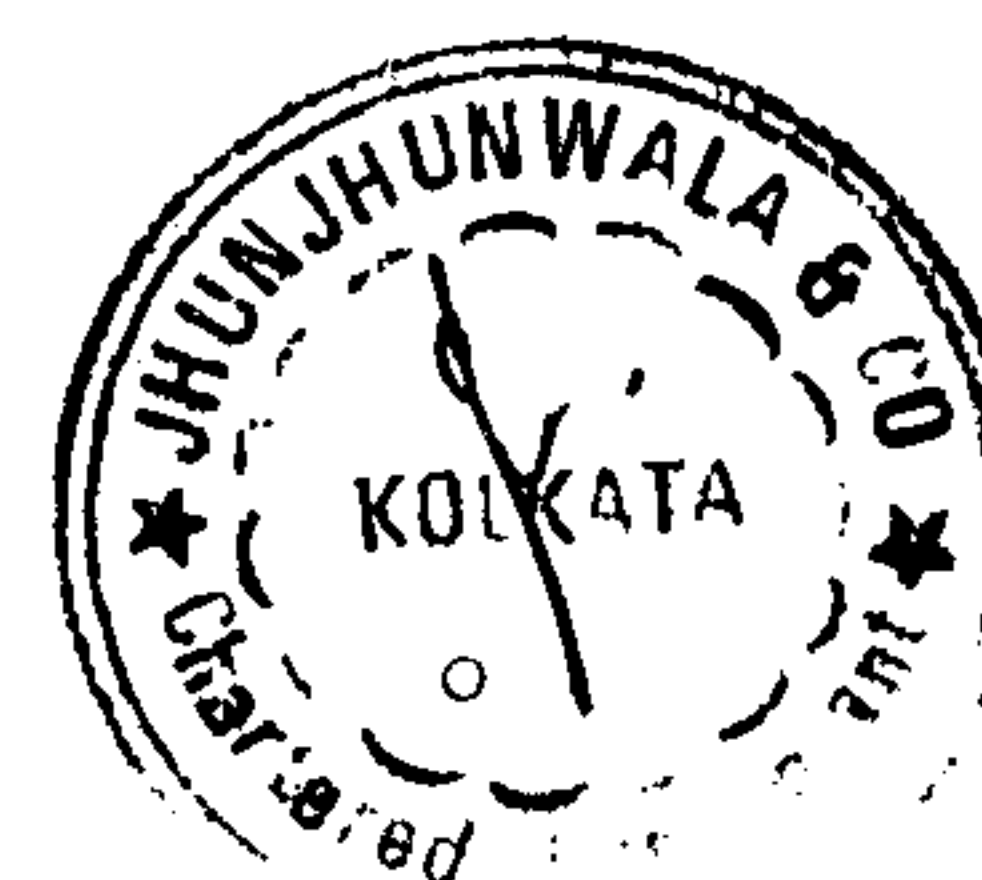
Directors

Bhujari

## M/s NATIONAL PLYWOOD INDUSTRIES LIMITED

## Notes forming part of the financial statement

Note	Particulars
<b>1</b>	<b><u>Significant accounting policies</u></b>
<b>A</b>	<b>Basis of accounting and preparation of financial statements</b> The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out.
<b>B</b>	<b>Use of estimates</b> The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.
<b>C</b>	<b>Fixed assets</b> Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT and other credits, wherever applicable), taxes, incidental expenses, erection / commissioning expenses and borrowing costs etc. up to the date the assets are ready for their intended use.
<b>D</b>	<b>Depreciation</b> Depreciation on Fixed Assets is provided on written down value method at the rates prescribed in Schedule XIV of the Companies Act, 1956 or at rates determined based on the useful life of the assets, whichever is higher.
<b>E</b>	<b>Impairment of assets</b> The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external / internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rates and weighted average cost of capital.
<b>F</b>	<b>Investments</b> Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, but provision for diminution in value is made to recognise a decline other than temporary in the value of such investments.
<b>G</b>	<b>Inventories</b> Inventories are stated at lower of cost and net realisable value. The cost of finished goods and stock-in-process Comprises raw materials, direct labour, other direct cost and related production overheads upto the relevant stage of completion, Purchased finished goods are valued at cost of Purchase,
<b>H</b>	<b>Revenue recognition</b> Revenue (income) is recognised when no significant uncertainty as to determination/ realisation exists.  <b>Interest</b> Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
<b>I</b>	<b>Employee Benefit</b>  <b>Providend Fund</b> Contribution towards providend fund for certain employee is made to the regulatory authorities authorities, Where the company has no further obligation.



**Gratuity**

The Company does not provides for gratuity, a defined benefit plan (the Gratuity Plan) covering eligible employee in accordance with the Payments of Gratuity Act, 1972, which are admissible through Life-Insurance Corporation (LIC) and trust which is administered by the trustee.

**J Excise: Re Aqueous Solution Case**

i) Refund claim of Rs 66.29 lacs transferred to Consumer Welfare Fund, Appeal filed is pending with CESTAT, Kolkata.

ii) Refund claim of Rs 19.11 lacs sanctioned and paid but department has filed appeal before tribunal, Order from CESTAT is pending.

iii) Refund claim of Rs 53.56 lacs pending in Appeal before Tribunal, Kolkata.

Total Contingent Refund is approx Rs 119.85 lacs.

**K Earnings per share**

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

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

**L Taxation**

Tax expense comprises of current and deferred tax.

Current income-tax are measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred tax is recognized on a prudent basis for timing differences, being difference between taxable and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). Deferred tax asset is recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such asset can be realised against future taxable income. Unrecognised deferred tax asset of earlier periods are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the period in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

a) Disputed Income for Rs 2,50,82,624/- for assessment year 1996-97 for which the appeal is pending at Kolkata High Court.

**M Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**N Contingent liabilities**

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of notes to the accounts.

Central Excise

i) Due to dispute in classification and/or valuation of certain items of finished goods under the Central Excise & Salt Act, 1944, a demand of Rs 19.03 lacs (approx) has been confirmed by Central Excise Department. Department has been requested to adjust the amount against refund claim pending with the department.

ii) Demand on duty Rs 182.68 lacs approx. confirmed by the commissioner C.E. on 10.10.2001, against show cause notice dated 12.12.1985. Appeal petitions filed in Tribunal, Kolkata against the order which has been rejected and Appeal filed before the Guwahati High Court is pending.

iii) Demand of duty Rs 20.65 lacs confirmed. Appeal and stay petition filed before the Tribunal Kolkata, Stay petition has been allowed, Appeal is pending

Total Contingent liabilities on this account is approx Rs 250.49 lacs.

Provident Fund

Provident Fund Liabilities is being paid as per agreed stipulated term. Necessary applications were filed with concerned authorities to waive penal interest(s), penalties, damages & other charges on the liability of the company



as on 31.03.2015.

Sales Tax-Hosur, Tamilnadu:

Demand of Rs 345.69 lacs is outstanding against IFST Loan against which a stay has been granted by the Madras High Court.

Sales Tax-West Bengal:

The Sales Tax department has raised several ex-parte demands pertaining to WBST & CST on the Company along with interest and penalty for non submission of forms, way bills and old records from 1995-96 to 2005-06. The Principal Amount demanded is Rs 1284.72 lacs and Interest Rs 986.64 lacs. Demands for the year 1995-96 and 1996-97 have been assessed and demands for Rs 874.77 lacs has been set aside leaving a total liability of Rs 1396.00 lacs against these demands which are pending before the Appellate & Revision Authorities. Even though the company is hopeful for favourable order(s) in most of the cases, as per Hon'ble BIFR directions a contingent liability of Rs 1396.00 lacs is being taken on record.

- O In order to bring value to the company and help the company to overcome the crisis pursuant to it becoming sick, the promoter, Late Mr M.L.Periwal had decided to sell the 'National' brand for Plywood & laminates and other allied products to the company at a cost of Rs 674.10 lakhs arrived as per Independent report. This justifies the sacrifices to be made by the promoter towards rehabilitation of the company through the Hon'ble BIFR. This sacrifice is part of the promoter contribution. The company proposes to issue share of the face value of Rs 10/- each at a premium of Rs 5/- per share to acquire the brand at cost. This issues of shares against the value of brand goodwill shall be part of the scheme to be approved by the Hon'ble BIFR pending which the amount shall be kept as current liability in the company as Advance against Brand. This will be distinguished from the other current liabilities and there will not be any compromise on this liability as part of the proposed scheme.
- P The company has entered into a One Time Settlement(OTS) with its secured lenders. On account of the OTS entered into with all the secured lenders(Banks) the company has paid full and final sum of Rs 1246.78 Lacs in the previous year.
- Q Interest on loans from Banks & Financial Institutions has been provided and paid in full in the previous year.

**R Provisions**

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance date and adjusted to reflect the current best estimates.



ATIONAL PLYWOOD INDUSTRIES LIMITED

otes forming part of the financial statement

2 Share Capital

a) Share Capital	As at 31st March 2015		As at 31st March 2014	
	Number	Amount (Rs)	Number	Amount (Rs)
Authorised Equity Shares of Rs 10 each Preference Shares of Rs 10 each	25,000,000 -	250,000,000 -	25,000,000 -	250,000,000 -
<b>Total</b>	<b>25,000,000</b>	<b>250,000,000</b>	<b>25,000,000</b>	<b>250,000,000</b>
Issued, Subscribed & Paid up Equity Shares of Rs 10 each Preference Shares of Rs 10 each	5,853,750 -	58,537,500 -	5,853,750 -	58,537,500 -
<b>Total</b>	<b>5,853,750</b>	<b>58,537,500</b>	<b>5,853,750</b>	<b>58,537,500</b>

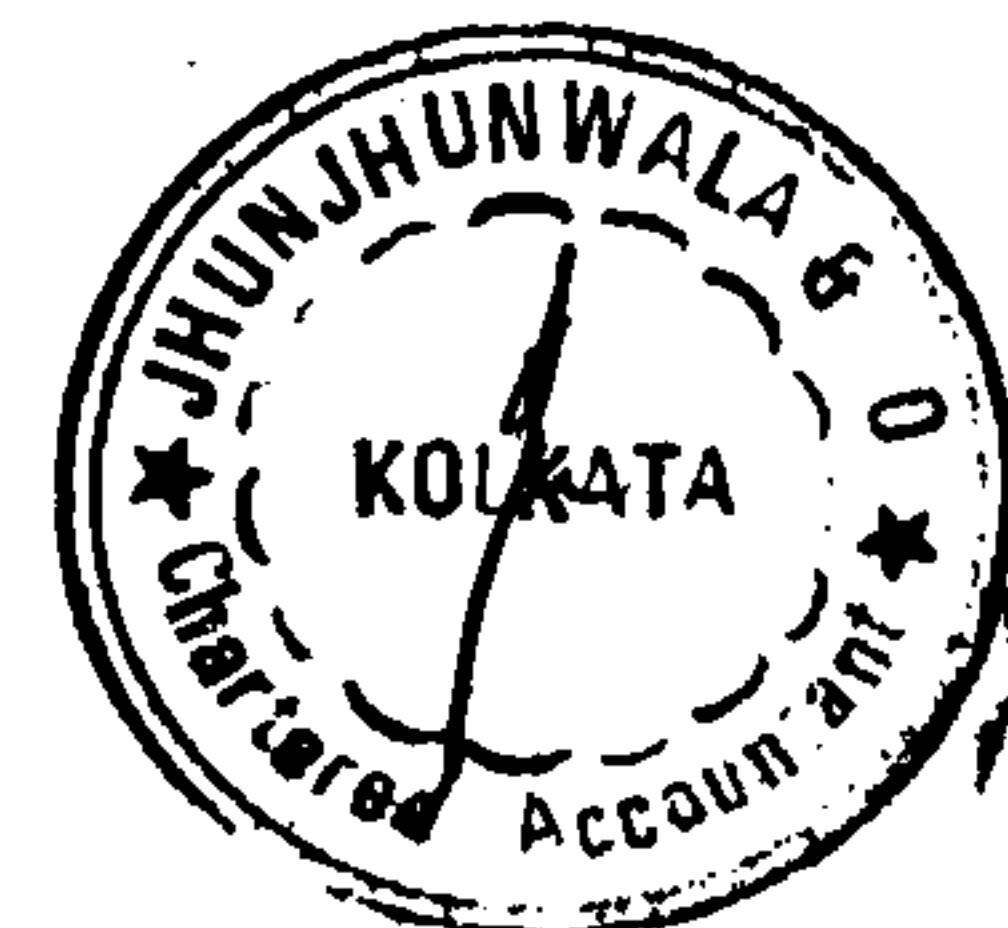
b) The reconciliation of the Number of Shares Outstanding and the amounts of Share Capital:

Particulars	Equity shares	
	Number	Amount (Rs)
Shares outstanding at the beginning of the year	5,853,750	58,537,500
Shares Issued during the year	-	-
Shares outstanding at the end of the year	<b>5,853,750</b>	<b>58,537,500</b>

c) The details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Smt Chandrakanta Periwal	564650	9.65	342450	5.85
Madhulika Periwal	343240	5.86	300490	5.13
Piyush Kumar Periwal	322575	5.51	303425	5.18
Amrex Marketing Pvt Ltd	598740	10.23	598740	10.23
Mahendra G. Wadhvani	306000	5.23	306000	5.23
	<b>2,135,205</b>	<b>36.48</b>	<b>1,851,105</b>	<b>31.62</b>

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Preference Shares held	% of Holding	No. of Equity Shares held	% of Holding
		0.00		0.00



**Reserve and Surplus**

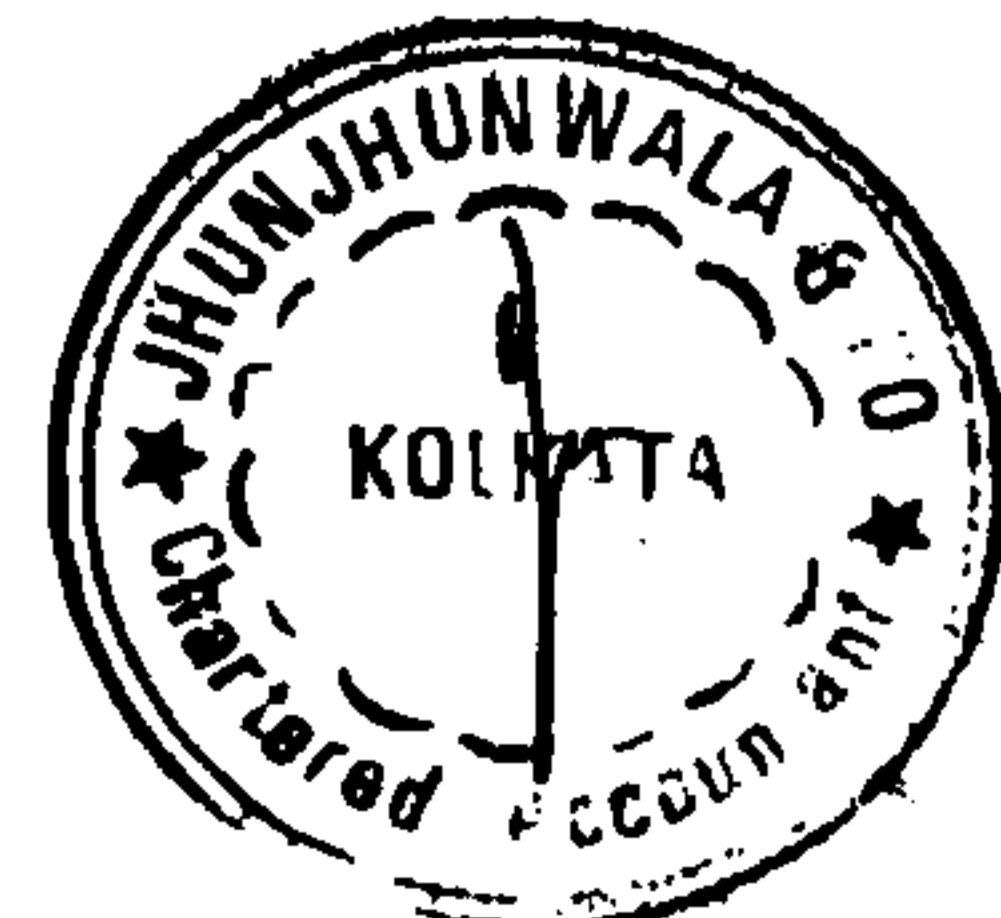
Reserves & Surplus	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
<b>General Reserve</b>		
Opening balance	85,000,000	85,000,000
Closing balance	85,000,000	85,000,000
<b>Capital Reserve</b>		
Opening balance	30,755,905	30,755,905
Add: Securities premium credited on share issue	-	-
Closing balance	30,755,905	30,755,905
<b>Investment Allowance Reserve</b>		
Opening balance	867,830	867,830
Add: Additions during the year	-	-
Closing balance	867,830	867,830
<b>Securities Premium Account</b>		
Opening balance	20,365,000	20,365,000
Closing balance	20,365,000	20,365,000
<b>Statutory Reserve</b>		
Capital Subsidy Account	1,500,000	1,500,000
Grant received	2,000,000	2,000,000
	3,500,000	3,500,000
<b>Surplus</b>		
Opening balance	(929,272,166)	(927,008,749)
Add: Net Profit for the current year	306,446,760	(2,263,417)
	(622,825,406)	(929,272,166)
Closing balance	-622,825,406	-929,272,166
<b>Total</b>	<b>482,336,671</b>	<b>-788,783,431</b>

**4 Long-term Borrowings**

Long-term Borrowings	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
<b>(a) Unsecured</b>		
From Sundry parties	99,531,444	104,944,276
Security Deposits	3,163,546	3,163,546
Others- Sales tax deferred scheme	34,595,749	34,595,749
<b>Total</b>	<b>137,290,739</b>	<b>142,703,571</b>

**5 Long-term Provisions**

Long-term Provisions	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
Provision for Fringe Benefit Tax A.Y.2006-07	188,100	188,100
Advance for Brand	67,410,000	67,410,000
Advance toward Share Buy-Back From Banks/FI	9,310,000	-
Unclaimed Dividends 1995-96	86,794	86,794
Share Application - Refund Account	50,165	50,165
<b>Total</b>	<b>77,045,059</b>	<b>67,735,059</b>



6 Short-term Borrowings

Short-term Borrowings	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
(a) Secured		
Working Capital Loans		
From Banks		
Rupee Loans	5,607,565	145,124,898
Term Loan	-	101,509,276
Interest Accrued on Term loan	-	195,675,400
Temporary overdraft from banks	234,980	351,809
<b>Total</b>	<b>5,842,545</b>	<b>442,661,383</b>

(a) Working Capital is secured by hypothecation of present and future stocks of raw materials, stock-in-process, finished goods, stores & spare parts, books debts and other moveable assets and personal guarantees of some of the directors of the company.  
 b) Term loans are partly secured by pari-passu first charge on the fixed assets of the company & personal guarantees of some of the directors of the company and partly by exclusive charge on the specific assets and personal guarantees of the directors.

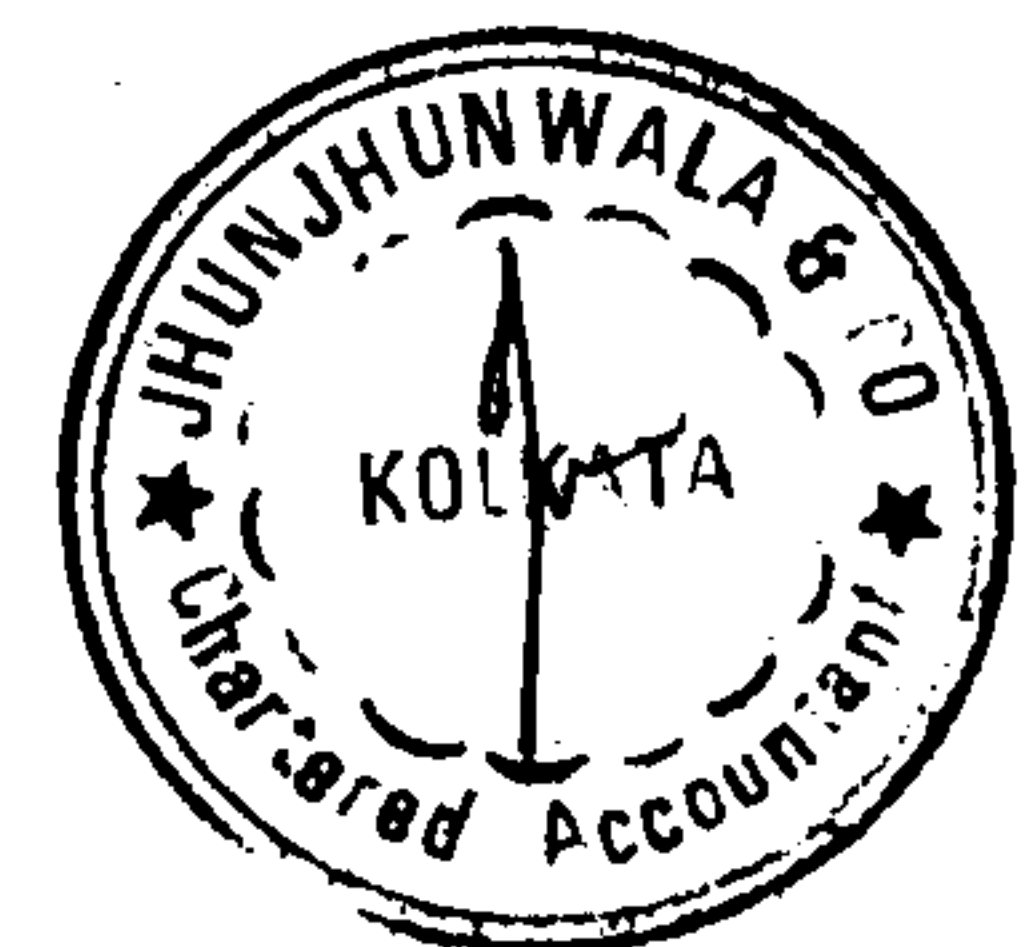
7 Trade Payables

Trade Payables	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
(a) Due to Micro, Small and Medium enterprises	316,750,093	244,888,290
<b>Total</b>	<b>316,750,093</b>	<b>244,888,290</b>

8 Other Current Liabilities

Other Current Liabilities	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
(a) Payable for Expenses	10,603,651	11,741,570
(b) Other Payables	280,530,746	241,815,849
(c) Advance From Customers	15,291,501	42,732,184
<b>Total</b>	<b>306,425,898</b>	<b>296,289,603</b>

9 Fixed Assets  
(Separately annexed)



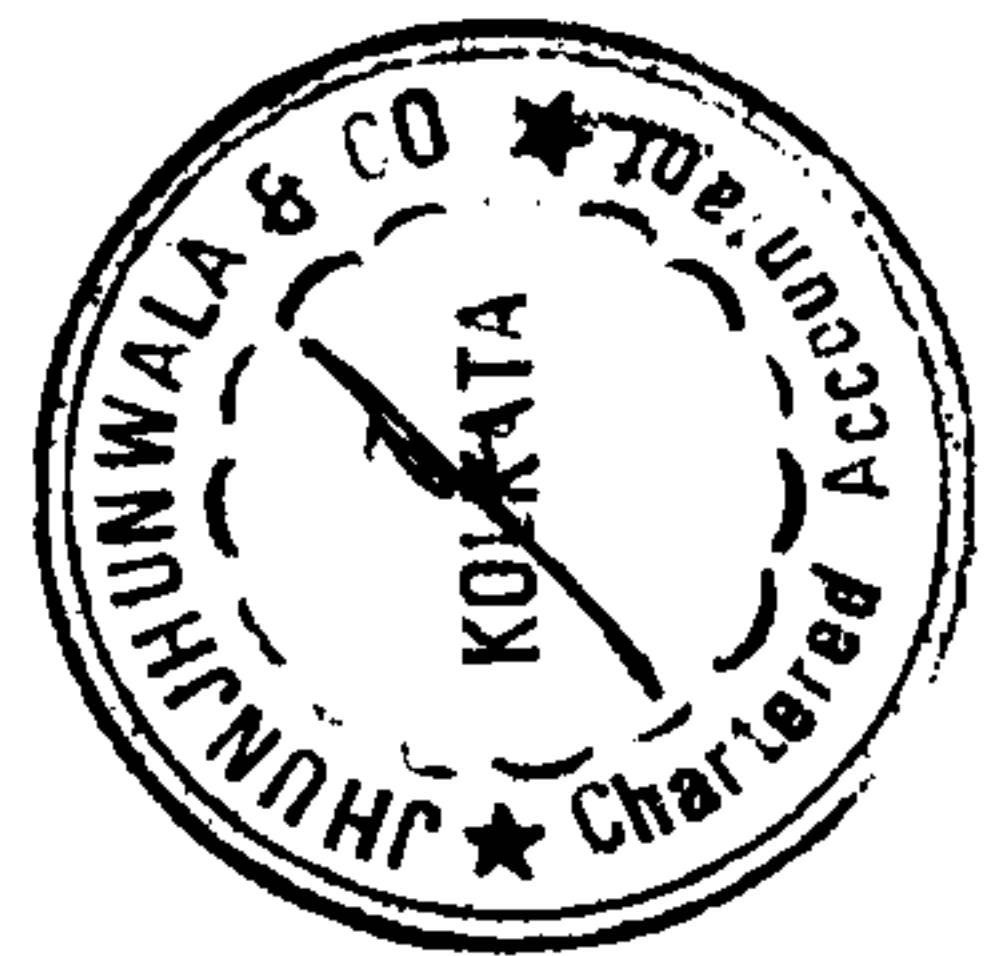


NATIONAL PLYWOOD INDUSTRIES LIMITED

SCHEDULE OF FIXED ASSETS 31ST MARCH, 2015

NOTES-9

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	COST AS AT 01.04.2014 Rs.	ADDITION DURING THE YEAR Rs.	SALES/ TRANSFER Rs.	TOTAL COST AS AT 31.03.2015 Rs.	UP TO 31.03.2014 Rs.	ADJUSTMENT S DURING THE YEAR Rs.	FOR THE YEAR Rs.	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
LAND	743765	3500000	14730	4229035	-	-	-	4229035	743765
BUILDINGS	51939965	3048056	16951111	38036910	33337097	10305941	1149119	13856635	18602868
PLANT & MACHINERY	202727199	25690561	52911314	175506446	180910845	40586620	1558590	33623631	21816354
VEHICLES	8555066	-	-	8555066	8091329	-	145695	318042	463737
ELECTRIC FITTINGS	1506561	1668588	250024	2925125	1440892	250024	104977	1629280	65669
FURNITURE & FIXTURES	10195721	188704	1592365	8792060	10183541	1592365	8514	192370	12180
OFFICE EQUIPMENTS	9609201	-	241590	9367611	9300412	238386	70379	235204	308788
COMPUTER	1483254	73661	12801	1544114	1447169	12801	25541	84205	36085
AIR CONDITIONERS	749891	31000	-	780891	739774	-	8634	32483	10117
CYCLE	-	3600	-	3600	-	-	3600	-	-
BRAND GOODWILL	67410000	-	-	67410000	-	-	-	67410000	-
TOTAL --->	354920623	34204170	71973935	317150858	245451059	52,986,136	3075049	121610884	109469563
WORK IN PROGRESS	17397299	10420396	27817695	-	-	-	-	-	17397299
TOTAL --->	372317922	44624566	99791630	317150858	245451059	52,986,136	3075049	121610884	126866862
PREVIOUS YEAR	353582383	4713191	-	358295574	239727629	-	3058026	115509918	242785655



10 Non-Current Investments

Particulars	As at 31st	As at 31st March
	March 2015	2014
	Amount (Rs)	Amount (Rs)
<b>Investments (Refer below)</b>		
Investment in Equity instruments	100,000	100,000
Others	5,000	5,000
<b>Total</b>	<b>105,000</b>	<b>105,000</b>

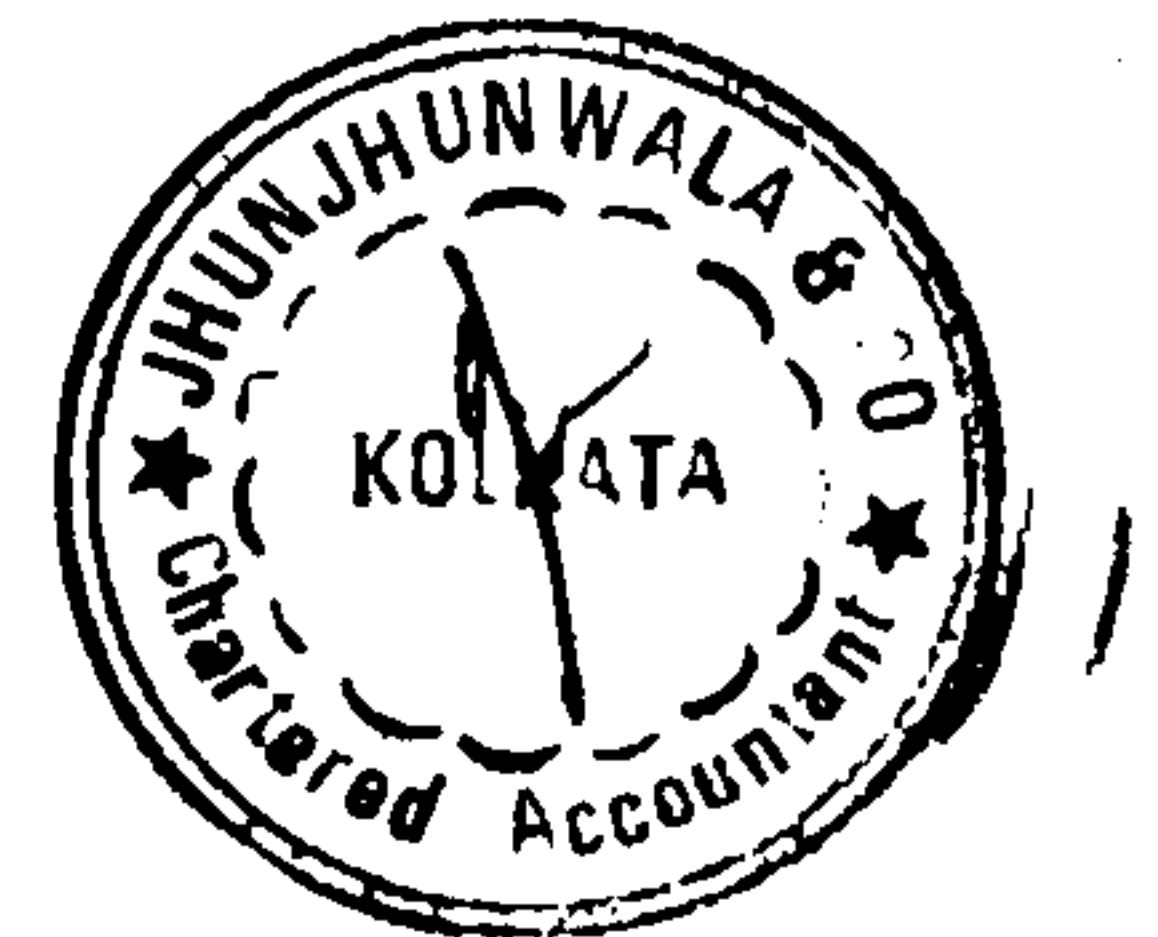
Details of Non-Trade

Name of the Body Corporate (1)	No. of Shares / Units		Amount (Rs)	
	2015	2014	2015	2014
	(2)	(3)	(4)	(5)
<b>a. Investment in Equity Instruments</b>				
<b>Unquoted, fully paid-Long Term Investments</b>				
Periwal Plastics Pvt Ltd of Rs 100 each	1,000	1,000	100,000	100,000
Total			100,000	100,000
<b>b. Others</b>				
Assam Petro chemicals Ltd of Rs 10 each	500	500	5,000	5,000
			5,000	5,000
<b>Grand Total</b>			<b>105,000</b>	<b>105,000</b>

Aggregate amounts of Unquoted Investments	105,000	105,000
---	---------	---------

11 Long Term Loans and Advances

Long Term Loans and Advances	As at 31st	As at 31st March
	Amount (Rs)	Amount (Rs)
<b>a. Others</b>		
Advance Payment of taxes (Net)	2,740,823	2,774,170
Advance to Others	17,306,076	25,406,076
<b>b. Loans</b>	2,773,320	2,773,320
<b>c. Deposits</b>		
Sundry Deposits	2,565,797	2,565,797
	<b>25,386,016</b>	<b>33,519,363</b>



12 Inventories

Inventories	As at 31 March 2015		As at 31 March 2014	
	Quantity	Amount (Rs)	Quantity	Amount (Rs)
a.) Finished goods (Valued at cost)		22,450,246		47,829,839
b.) Work-in-progress		-		5,418,809
c.) Raw Materials		74,695,313		74,589,447
<b>Total</b>		<b>97,145,559</b>		<b>127,838,095</b>

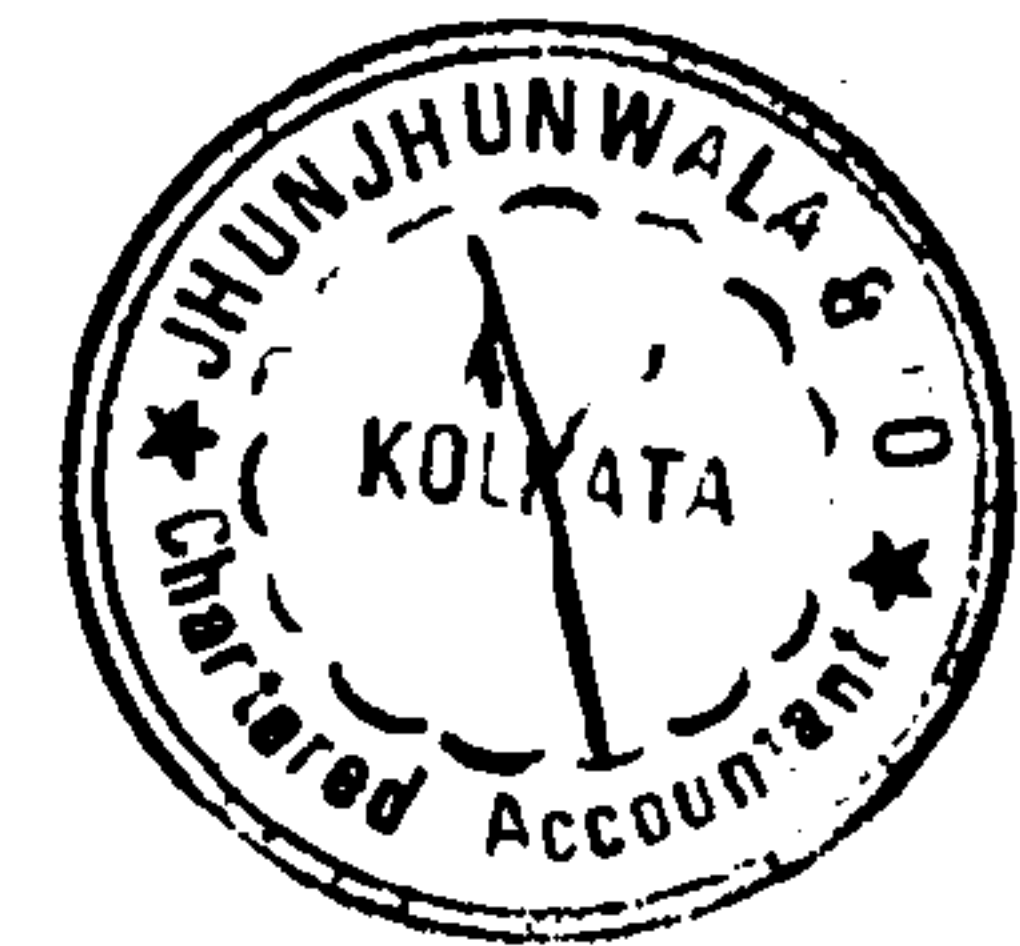
13 Trade - Receivables

Trade - Receivables	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
Trade receivables outstanding for a period more than six months from the date they are due for payment		
Unsecured, considered good	27,276,250	50,665,542
Unsecured, considered Doubtful	-	1,091,588
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	133,473,477	107,917,651
<b>Total</b>	<b>160,749,727</b>	<b>159,674,781</b>

14 Cash and Cash Equivalents

Cash and cash equivalents	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
a. Cash in hand	1,188,491	1,283,615
b. Balances with banks	1,898,927	1,029,421
c. Fixed Deposits with banks	-	275,480
	<b>3,087,418</b>	<b>2,588,516</b>

(a) Fixed deposits with banks include maturity of more than 12 months



15 Short Term Loans and Advances

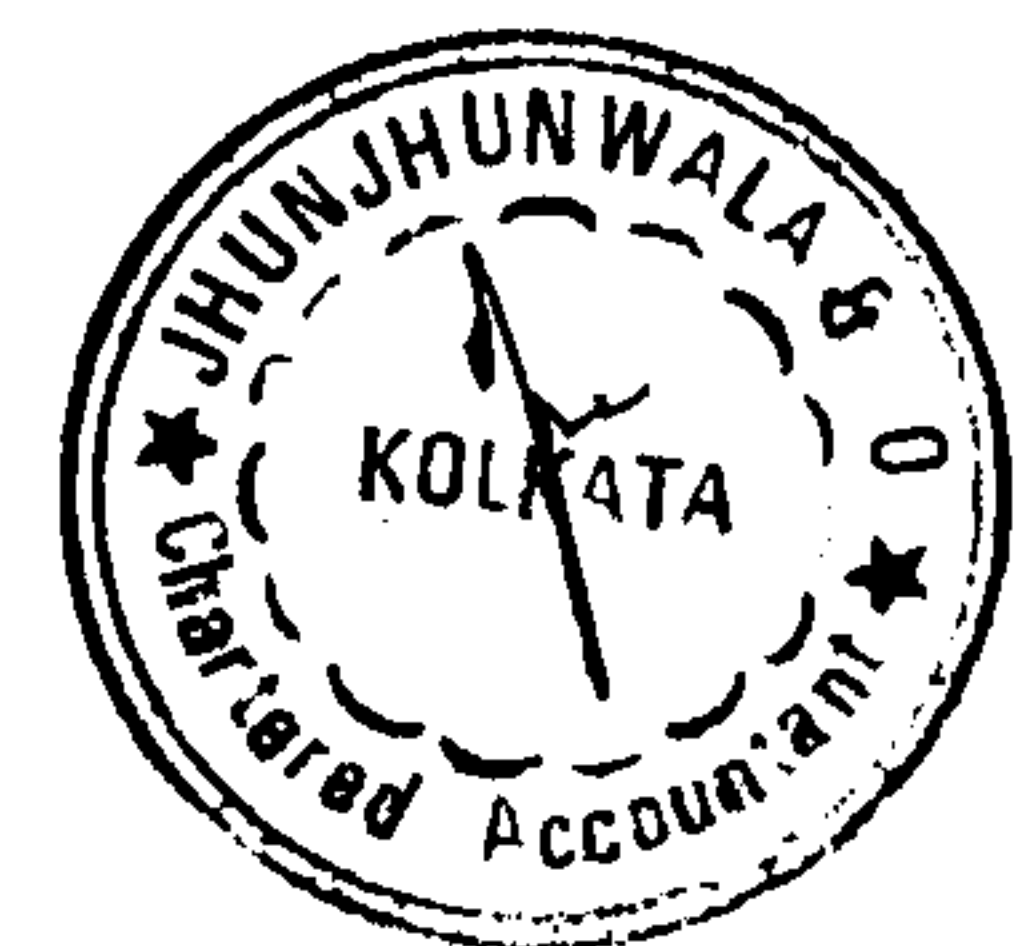
Short-term loans and advances	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
<b>a. Advance to related Party</b> Advances to Related Party	508,540	568,540
<b>b. Others</b> Advance to Staff	2,304,954	3,204,954
Advance Against Property	-	-
Advance To Others	-	-
Advance Payment of taxes (Net)	-	-
Balance with Gov. Authorities	8,657,063	9,665,864
Accrued Interest on Fixed Deposits	-	-
<b>c. Deposits</b> Sundry Deposits	-	-
	<b>11,470,557</b>	<b>13,439,358</b>

16 Revenue from Operations

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
<b>Sale of Products</b> Gross Sale	407,722,656	447,445,300
Less: Excise Duty	19,868,990	17,261,167
Drawback on Export Sale	-	-
<b>Total</b>	<b>387,853,666</b>	<b>430,184,133</b>

17 Other Income

Other Income	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Other Income	-	995,141
Sundry Balance written off	-	5,397
Liabilities/Creditors no longer payable W/Back	13,652,189	1,388,666
Profit on sale of fixed Assets	11,117,202	-
<b>W/Off from banks &amp; FI balances as per BIFR</b>	<b>412,434,501</b>	-
Interest received	33,470	-
<b>Total</b>	<b>437,237,362</b>	<b>9,414,803</b>



18 Cost of material Consumed

Cost of material Consumed	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Consumption of - Raw Materials	203,724,221	134,085,605
<b>Total</b>	<b>203,724,221</b>	<b>134,085,605</b>

19 Changes in inventories of Stock-in-Trade

Changes in inventories of Stock-in-Trade	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Closing Stock of Finished/trading items	22,450,246	47,829,839
Less: Opening Stock of Finished/ trading items	47,829,839	44,982,707
<b>Total</b>	<b>(25,379,593)</b>	<b>2,847,132</b>

20 Employee Benefits Expense

Employee Benefits Expense	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Salaries, bonus and leave pay	25,860,913	23,887,338
Contribution to Provident Fund and Others Fund	1,659,463	1,267,647
Staff welfare expenses	165,840	391,291
<b>Total</b>	<b>27,686,216</b>	<b>25,546,276</b>

21 Financial Expense

Financial Expense	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Interest To Bank	699,855	637,688
<b>Total</b>	<b>699,855</b>	<b>637,688</b>

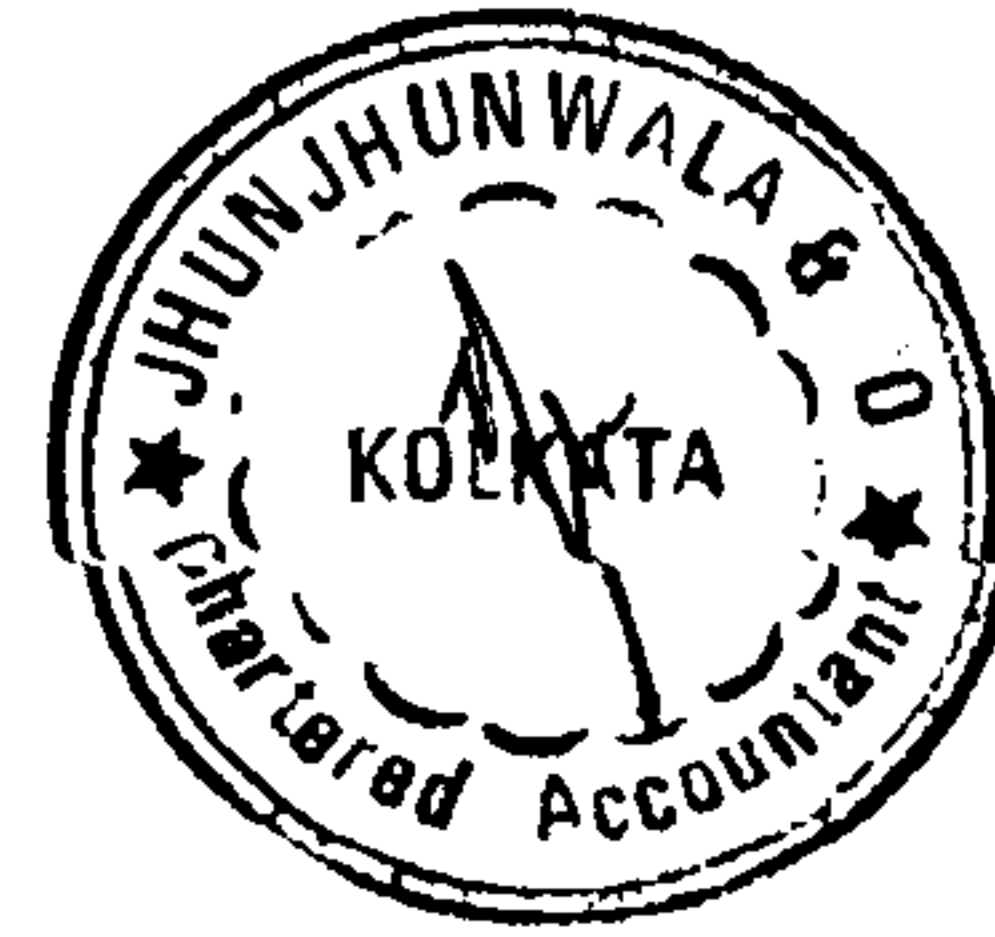
22 Depreciation and Amortisation Expense

Depreciation and Amortisation Expense	For the year	For the year
	Amount (Rs)	Amount (Rs)
Depreciation and Amortisation	3,075,050	2,652,603
<b>Total</b>	<b>3,075,050</b>	<b>2,652,603</b>



## 23 Other Expenses

Other Expenses	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
<b>Manufacturing, Administrative &amp; Selling Expenses</b>		
Stores and Spares Consumed	6,525,113	1,609,308
Packing & Forwarding Charges	6,297,696	9,886,255
Repair to Plant & Machinery	1,430,405	1,338,337
Repair to Building	19,183	12,120
Repair to Others	177,575	53,740
Payments to Auditors	35,000	35,000
Power & Fuel	11,199,521	9,020,434
Service Tax on Freight	69,036	113,572
Miscellaneous Expenses	12,467,113	5,031,340
Vehicle Maintenance Expenses	414,181	374,178
Sundry Balance Advance W/off back	1,824,868	-
Rates & taxes	27,587	16,700
Insurance	305,225	407,774
Rent (Office & Godown)	1,876,446	1,713,118
Sampling Charges	3,181,646	3,034,915
Sales Tax	326,449	89,241
Central Excise Duty Receivable W/off	6,415,585	-
<b>Total</b>	<b>52,592,629</b>	<b>32,736,032</b>



24 Payment to auditor

Payment to auditor	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Statutory audit	35,000	35,000
<b>Total</b>	<b>35,000</b>	<b>35,000</b>

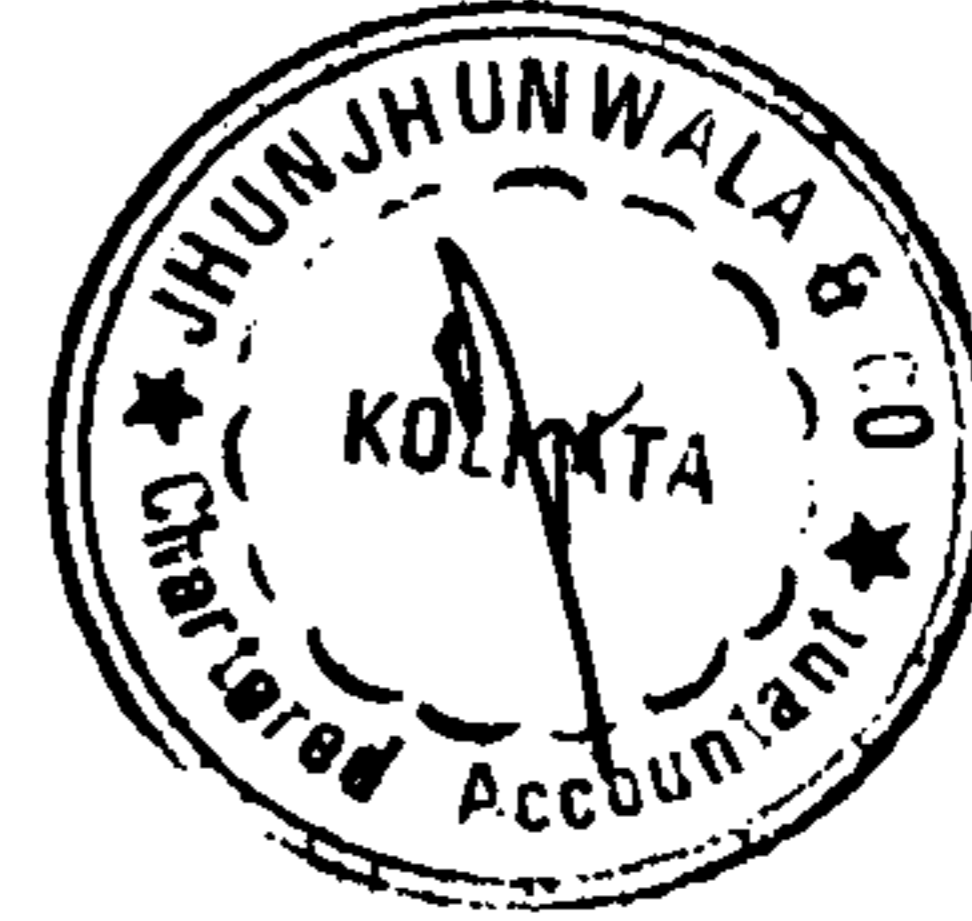
25 Disclosures of related party transactions (as identified & certified by the management):

As per Accounting Standard-18- ' Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below :

(a) Key Management

- (a) Shri Piyush Periwal
- (b) Shri Vijay Kumar Periwal
- (c) Shri N.G.Paul
- (d) Shri Abhijeet Sarkar

- Vice Chairman & Managing Director
- Director
- Director
- Director



26 Earning per share (EPS)

Particulars		For the Year	For the Year
		Ended 31st March 2015	Ended 31st March 2014
Profit after tax	Rs.	306,446,760	(2,263,417)
Weighted average number of equity shares outstanding during the	Nos.	5,853,750	5,853,750
Nominal value of equity per share	Rs.	10	10
Basic earning per share (EPS)	Rs.	52.35	-0.39

27 To Make regular monthly Contribution to Various Provident Funds which are in the nature of defined Contribution schemes and such paid/payable amount are charged against revenue. To administer through duly constituted and approved independent trusts various gratuity and pension funds, which are in the nature of defined benefit/contribution schemes. To determine the liabilities towards such schemes as applicable by an independent actuarial valuations as per the requirements of Accounting.

28 Micro, Small and Medium Enterprises

There are Micro, Small & Medium Enterprises, to whom the Company owes dues, which are outstanding as at 31st March 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

29 In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated in accounts, if realised in ordinary course of business, unless otherwise stated. The provision for all known liabilities is adequate and not in excess/short of the amount considered reasonable/necessary.

30 Balances of some of the Sundry creditors, Loans and advances incorporated in the books as per balances appearing in the relevant subsidiary records, are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation, if any. The management however is of the view that there will be no material discrepancies in this regard.

31 Historically, the company's investment in unquoted shares has been done with a view to hold them for long term and thereby earn capital gains, since dividend payout on such investments has generally been nil. The aforesaid policy has been taken into consideration while computing the provision for income-tax as applicable

32 The financial statements for the year ended 31st March, 2014 had been prepared as per the then applicable revised Schedule VI to the Companies Act, 1956, Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March, 2015 are also prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's notifications.

33 Figures in the bracket relate to previous year.

34 Figures have been rounded off to nearest rupee.

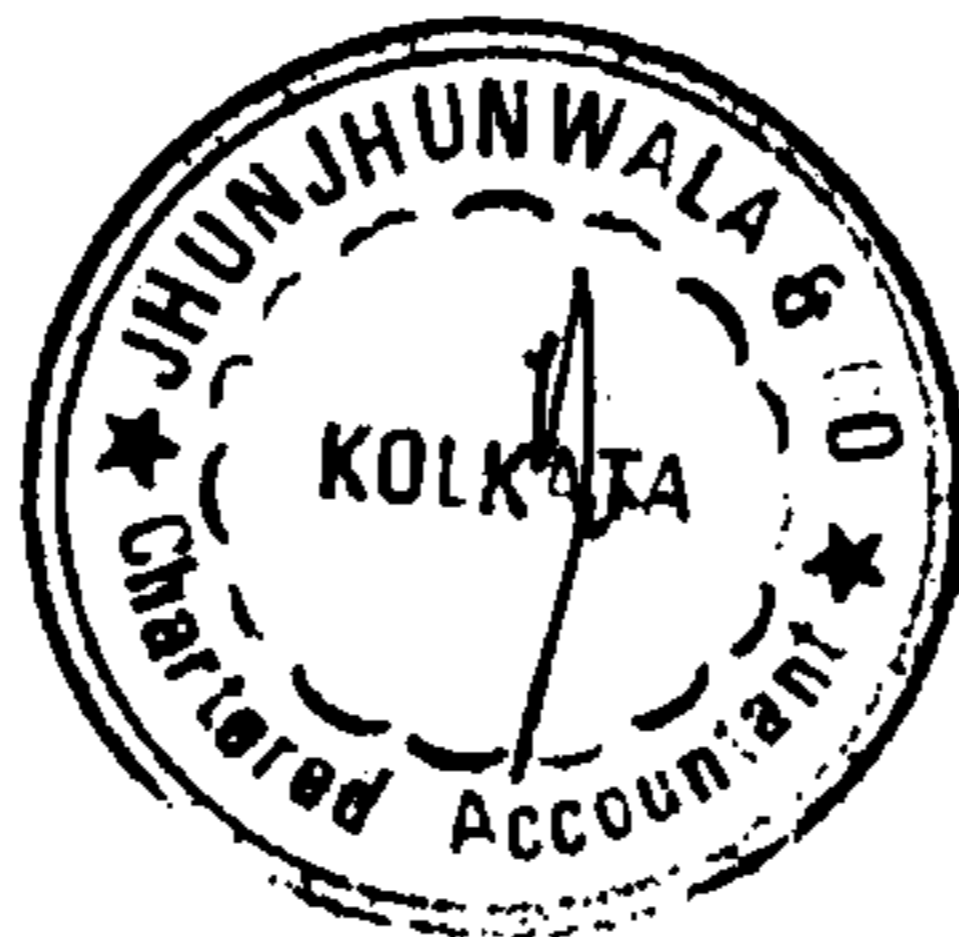
As per our report of even date attached

For JHUNJHUNWALA & CO  
Chartered Accountants  
Firm Reg no: 302169E

✓ R. K. JhunJhunwala

CA. R K JHUNJHUNWALA  
Proprietor  
Membership No. 006604

Place: Kolkata  
Date: 30th July, 2015



*[Handwritten signature]*

Directors

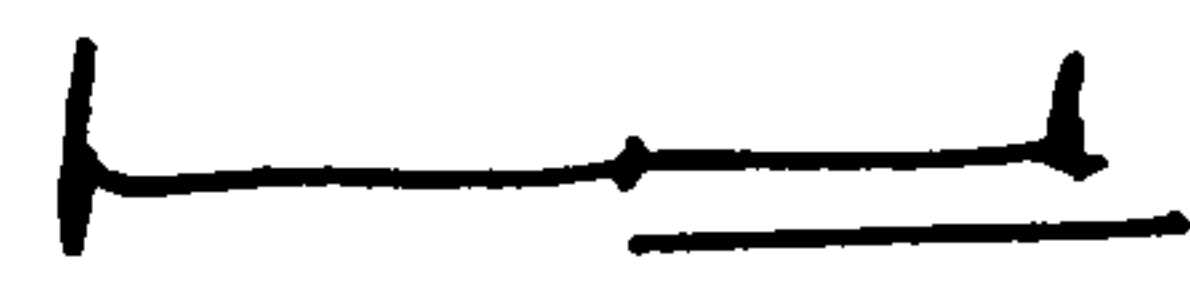
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**NATIONAL PLYWOOD INDUSTRIES LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax	306,446,760	(2,263,417)
Adjustments for :		
Depreciation	3,075,050	2,652,603
Loss /(Profit) on sale of Fixed Assets	-	-
Interest	699,855	637,688
Interest written back for earlier year	-	-
<b>Operating Profit before Working Capital changes</b>	<b>310,221,665</b>	<b>1,026,874</b>
Adjustments for :		
Trade and Other Receivables	(33,615,770)	(15,832,908)
Inventories	31,550,845	37,336,270
Trade payables	53,245,915	56,256,908
Investments	-	-
Term Loan	529,688	529,688
Working Capital Loan from bank	-	-
OTS Settlement	-	-
Preliminary Expenses	-	-
<b>Cash generated from operations</b>	<b>361,932,343</b>	<b>79,316,832</b>
Income Tax refund	-	-
Income Tax paid	-	-
Wealth Tax paid	-	-
<b>Net Cash Flow from Operating Activities(A)</b>	<b>361,932,343</b>	<b>79,316,832</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Dividend income	-	-
Purchase of Fixed Assets	(312,643,506)	(14,009,548)
Sale of Fixed Assets	-	-
Sale of Share	-	-
<b>Net Cash Flow from Investing Activities(B)</b>	<b>(312,643,506)</b>	<b>(14,009,548)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Grant Received		
Proceeds from Long Term Borrowings	9,350,145	12,426,133
Decrease /Increase in Financial Lease Liability	(57,440,225)	(78,482,223)
Interest Paid	(699,855)	(637,688)
<b>Net Cash Flow from Financing Activities©</b>	<b>(48,789,935)</b>	<b>(66,693,778)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash equivalents(A+B+C)</b>	<b>498,902</b>	<b>(1,386,494)</b>
<b>Cash and Cash equivalents as on 01.04.2014</b>	<b>2,588,516</b>	<b>3,975,010</b>
<b>Cash and Cash equivalents as on 31.03.2015</b>	<b>3,087,418</b>	<b>2,588,516</b>



Kolkata,  
Dated: 30.07.2015

Directors

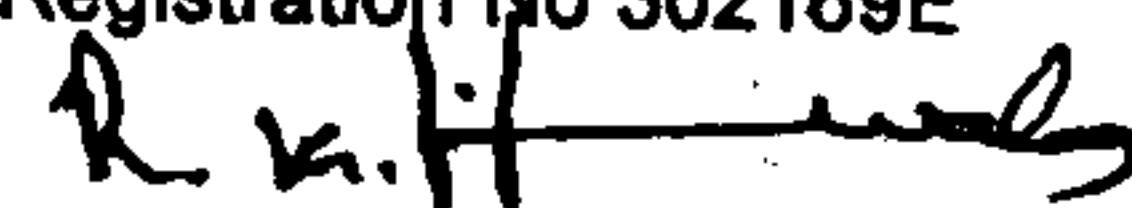
**AUDITORS' CERTIFICATE**

We have examined the above Cash Flow Statement of NATIONAL PLYWOOD INDUSTRIES LIMITED for the year ended 31st March,2015. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of listing agreement with Stock Exchanges and is based on and in agreement with the books and records of the Company and also the Statement of Profit and Loss Account and Balance Sheet covered by our report of even date to the members of the Company .

Kolkata  
Dated : 30.07.2015



For JHUNJHUNWALA & COMPANY  
Chartered Accountants  
Firm Registration No 302169E



R.K. Jhunjunwala  
Proprietor  
(Membership No.006604)

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE  
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To,  
The Members of  
National Plywood Industries Limited

We have examined the compliance of conditions of Corporate Governance by NATIONAL PLYWOOD INDUSTRIES LTD for the year ended 31st March, 2015, as stipulated in Clause – 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance, as stipulated in the above mentioned Listing Agreement.

We further 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.

Place : Kolkata  
Date : 30th July, 2015



For JHUNJHUNWALA & COMPANY  
Chartered Accountants  
Firm Registration No.302169E.

✓ R. K. JhunJhunwala

( R. K. JHUNJHUNWALA )  
Proprietor  
Membership No. 006604.

# **Maheshwari R & Associates**

Company Secretaries

“Delta House”  
1<sup>st</sup> Floor, Room No -1D  
4 Government Place (North)  
Kolkata-700 001  
26389129( R)  
Mobile : 9432232757  
Email :rashmi3309@rediffmail.com

## **Form No. MR-3**

### **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

[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  
National Plywood Industries Limited  
Makum Pather  
Margherita  
Assam - 786187

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NATIONAL PLYWOOD INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of **NATIONAL PLYWOOD INDUSTRIES LIMITED** 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 on 31<sup>st</sup> March, 2015, 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of :-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ['SCRA'] and the rules made there under;  
**(not applicable to the Company during the Audit Period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;**(not applicable to the Company during the Audit Period).**

Contd...2



(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India [Substantial Acquisition of Shares and Takeovers] Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(not applicable to the Company during the Audit Period).**
- e) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the Company during the Audit Period)**
- f) The Securities and Exchange Board of India [Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009; and **(not applicable to the Company during the Audit Period).**
- h) The Securities and Exchange Board of India (Buyback of securities) Regulation, 1998; **(not applicable to the Company during the Audit Period)**

(vi) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws and Regulations. The List of major head/groups of Acts, Laws and Regulations as applicable to the Company inter alia includes :

- Factories Act, 1948;
- Industries (Development & Regulation) Act, 1951;
- Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
- Acts prescribed under prevention and control of pollution;
- Acts prescribed under Environmental protection;
- Acts as prescribed under Direct Tax and Indirect Tax;
- Land Revenue laws of respective States;
- Labour Welfare Act of respective States;
- Trade Marks Act 1999 & Copy Right Act 1957;
- The Legal Metrology Act,2009;
- Acts as prescribed under Shop and Establishment Act of various local authorities.
- Indian Contract Act'
- Right to information Act
- Constitution of India
- Acts Prescribed by State Legislative Assembly
- The Explosive ACT' 1884

Contd...3



I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India. **(not notified during the audit period hence not applicable to the Company )**
- b. The Listing Agreements entered into by the Company with Stock Exchange(s).

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

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are 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.

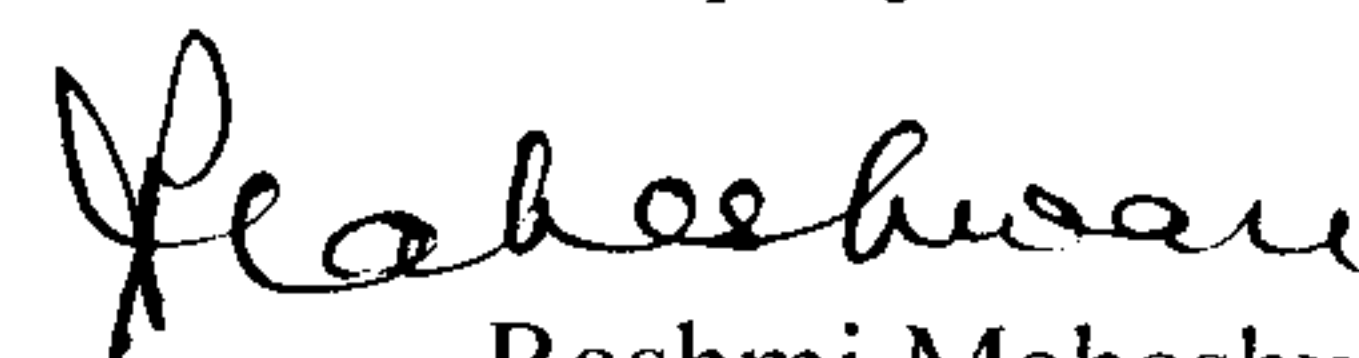
Majority decision is carried through while the Dissenting Members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period the Company has not passed any special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This Report is to be read with our letter of even date which is annexed as "Annexure A" and forms as an integral part of this Report.

For Maheshwari R & Associates  
Company Secretaries

  
Rashmi Maheshwari  
Membership No. 5126(FCS)

Place: Kolkata  
Date: 30<sup>th</sup> July'2015



CP No : 3309

**Maheshwari R & Associates**  
Company Secretaries

“Delta House”  
1<sup>st</sup> Floor, Room No -1D  
4 Government Place (North)  
Kolkata-700 001  
26389129( R)  
Mobile : 9432232757  
Email : rashmi3309@rediffmail.com

**'ANNEXURE A'**

To  
The Members  
National Plywood Industries Ltd.,  
Makum Pather  
Margherita  
Assam – 786187

My Report of even data is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. I have relied upon the report of Statutory Auditors regarding Company Act 2013 & Rules made thereunder relating to maintenance of Books of Accounts, papers & Financial Statements of the relevant financial year , which gives true and fair view of the state of affairs of the Company.
4. Wherever required, I have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
5. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards is the 'Responsibility' of Management. Our examination is limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For MAHESHWARI R & ASSOCIATES**  
Company Secretaries

*Rashmi Maheshwari*  
**FCS RASHMIMAHESHWARI**  
(C.P.No.: 3309 of ICSI)

**Place: Kolkata**  
**Date: 30<sup>th</sup> July'2015**



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF NATIONAL PLYWOOD INDUSTRIES LIMITED**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of National Plywood Industries Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone Financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit/loss and its cash flows for the year ended on that date.

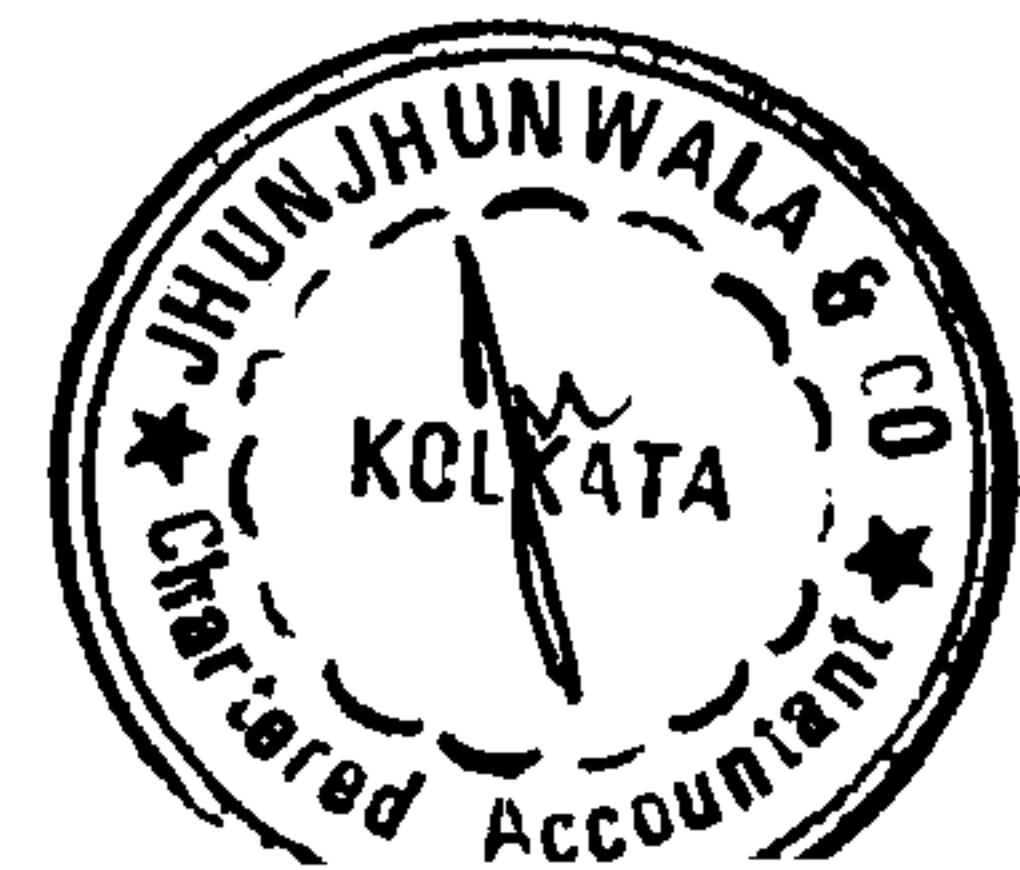




## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The accounts of the branch offices of the Company have been audited by us under Section 143 (8) of the Act and have been properly dealt with by us in preparing this report.
- (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the accounts of the branches
- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) 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 does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

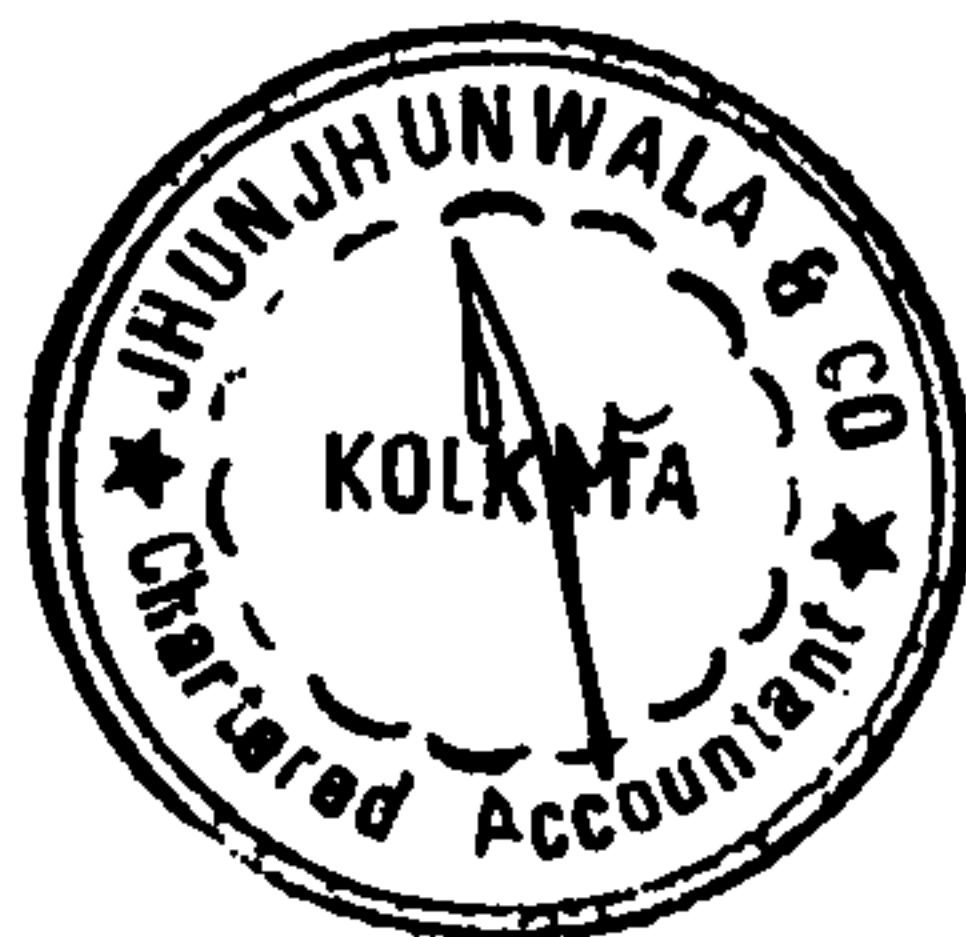


- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

6, Commercial Building  
23 Netaji Subhas Road, Kolkata-700001

Place: kolkata

Date: 30<sup>th</sup> July'2015



For JHUNJHUNWALA and Co.

**Chartered Accountants**

FRN: 302169E

✓ R. K. J. H. wala

CA R.K.JHUNJHUNWALA

**Proprietor**

Membership No. : 006604

## ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of National Plywood Industries Limited. on the accounts of the company for the year ended 31<sup>st</sup> March, 2015.

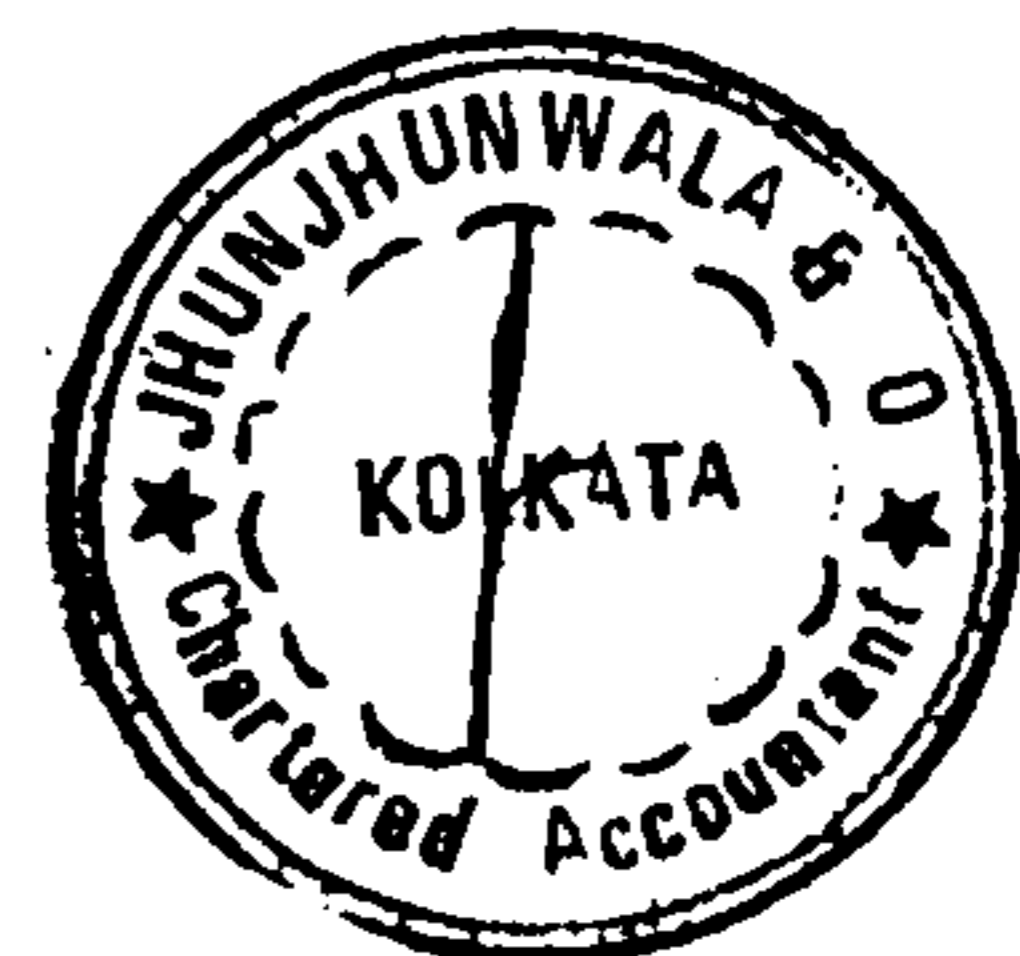
On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Act. Consequently, clauses 3(a) and 3(b) are not applicable.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or



arrangements referred to in section 189 of the Act have been entered in the register required to be maintained under that section.

6. The Company has not accepted any deposits from the public .
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act,2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2015 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there is an amount payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does have accumulated loss and has incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.



17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2015, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

6, Commercial Building

23 Netaji Subhas Road, Kolkata-700001

Place: kolkata

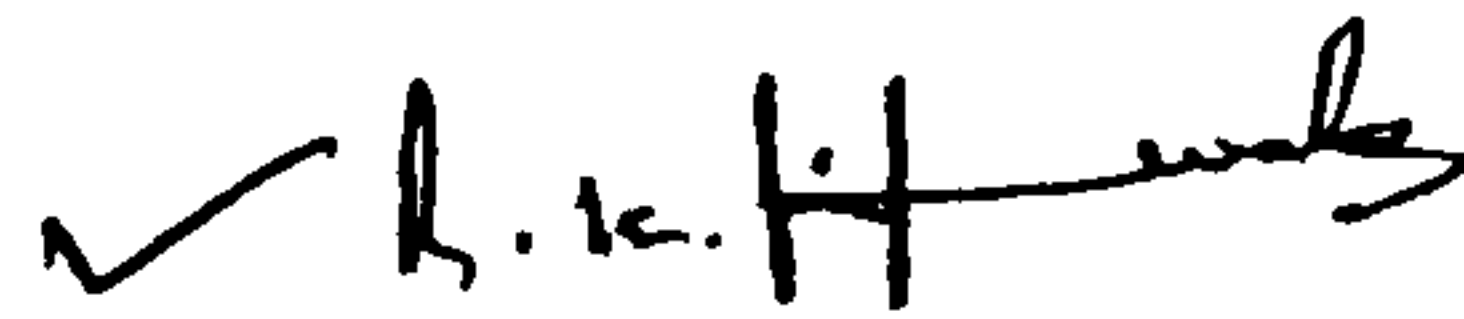
Date: 30<sup>th</sup> July'2015



For JHUNJHUNWALA and Co.

Chartered Accountants

FRN: 302169E



CA R.K.JHUNJHUNWALA

Proprietor

Membership No. : 006604

M/s NATIONAL PLYWOOD INDUSTRIES LIMITED

Balance Sheet as at 31.03.2015

( Amount in Rs)

Particulars	Note	As at 31st March 2015	As at 31st March 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
Share capital	2	58,537,500	58,537,500
Reserves and surplus	3	-482,336,671	-788,783,431
<b>2 Non-current Liabilities</b>			
Long-term borrowings	4	137,290,739	142,703,571
Long term Provisions	5	77,045,059	67,735,059
<b>3 Current liabilities</b>			
Short-term borrowings	6	5,842,545	442,661,383
Trade Payables	7	316,750,093	244,888,290
Other current liabilities	8	306,425,898	296,289,603
<b>TOTAL</b>		<b>419,555,163</b>	<b>64,031,975</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
Fixed assets			
Intangible assets	9	67,410,000	67,410,000
Tangible assets	9	54,200,886	42,059,563
Capital Work in Progress	9	-	17,397,299
Non-Current Investment	10	105,000	105,000
Long-term loans and advances	11	25,386,016	33,519,363
<b>2 Current assets</b>			
Inventories	12	97,145,559	127,838,095
Trade receivables	13	160,749,727	159,674,781
Cash and cash equivalents	14	3,087,418	2,588,516
Short-term loans and advances	15	11,470,557	13,439,358
<b>TOTAL</b>		<b>419,555,163</b>	<b>464,031,975</b>

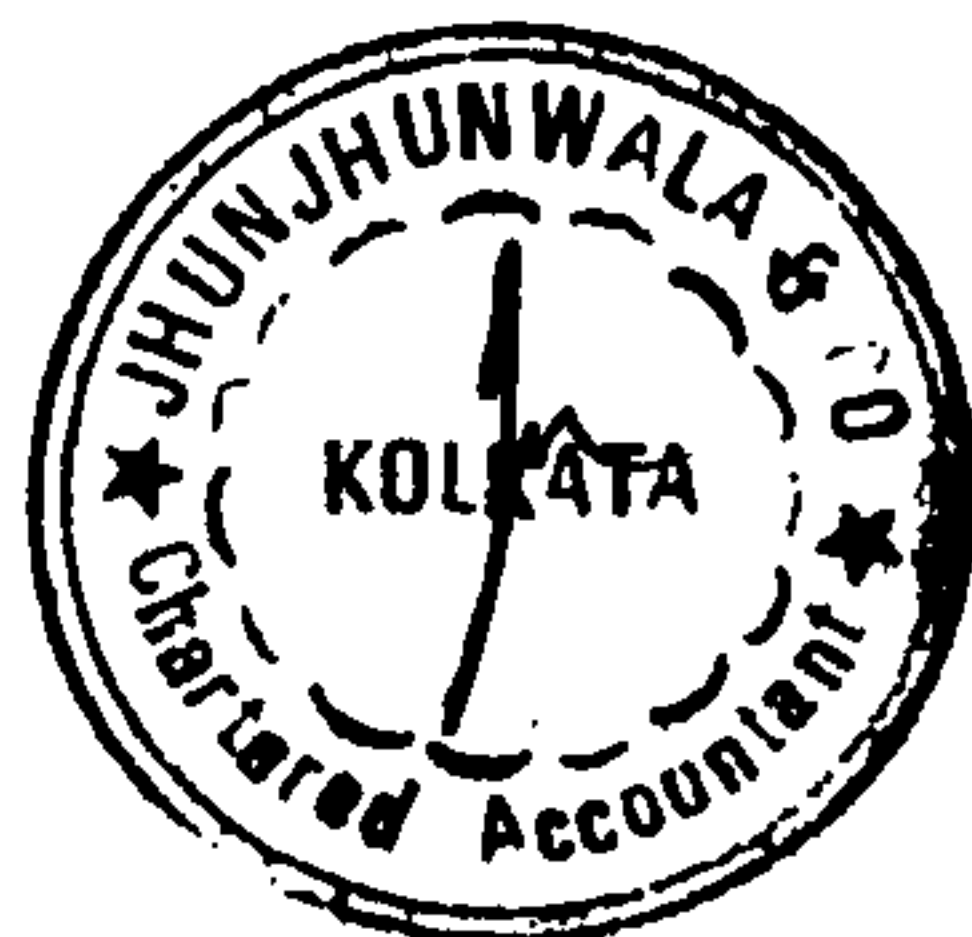
Significant Accounting Policies  
Notes on Financial Statements  
As per our report of even date

1  
2 to 34

For JHUNJHUNWALA & CO  
Chartered Accountants  
Firm Reg no: 302169E

✓ *R. K. JhunJhunwala*

CA. R K JHUNJHUNWALA  
Proprietor  
Membership No. 006604  
Place: Kolkata  
Date: 30th July, 2015



Directors

*Bhujari*

M/s NATIONAL PLYWOOD INDUSTRIES LIMITED

Statement of Profit and Loss for the year ended 31.03.2015

( Amount in Rs)

Particulars	Note	For the year ended 31st March 2015	For the year ended 31st March 2014
I. Revenue from operations	16	387,853,666	430,184,133
II. Other income	17	437,237,362	2,389,204
<b>III. Total Revenue (I + II)</b>		<b>825,091,028</b>	<b>432,573,337</b>
IV. Expenses:			
Cost of material Consumed	18	203,724,221	134,085,605
Purchase of Stock -in-trade		205,486,704	242,025,682
Changes in inventories of stock-in-Trade	19	25,379,593	-2,847,132
Employee benefits expense	20	27,686,216	25,546,276
Financial Expenses	21	699,855	637,688
Depreciation and Amortisation Expenses	22	3,075,050	2,652,603
Other expenses	23	52,592,629	32,736,032
Total expenses		518,644,268	434,836,754
<b>V Profit before tax</b>		<b>306,446,760</b>	<b>-2,263,417</b>
VI Tax expense:			
(1) Current tax(No MAT as per SICK Company Act)		-	-
(2) Income Tax adjustment for earlier year		-	-
<b>VII Profit (Loss) for the period (V - VI)</b>		<b>306,446,760</b>	<b>-2,263,417</b>
VIII Earnings per equity share:			
(1) Basic	26	52.35	-0.39
(2) Diluted	26	52.35	-0.39

Significant Accounting Policies  
Notes on Financial Statements  
As per our report on even date

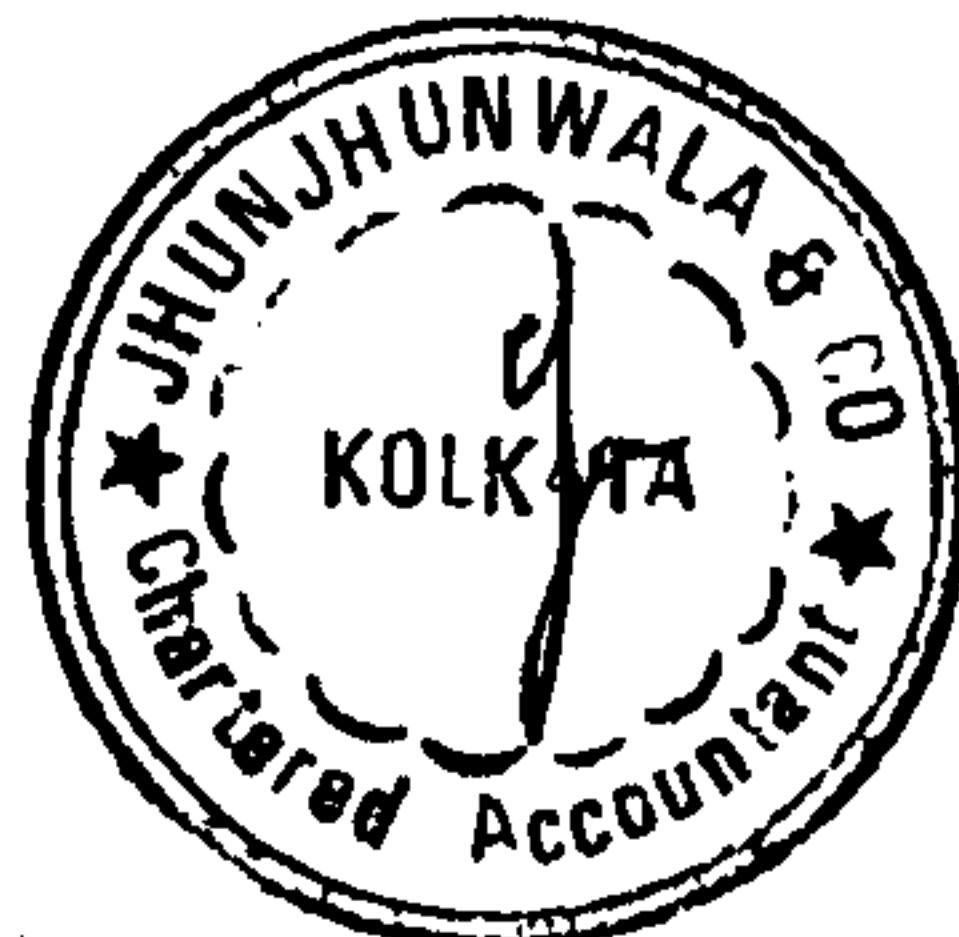
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2 to 34

For JHUNJHUNWALA & CO  
Chartered Accountants  
Firm Reg no: 302169E

✓ R. K. JhunJhunwala

CA. R K JHUNJHUNWALA  
Proprietor  
Membership No. 006604

Place: Kolkata  
Date: 30th July, 2015



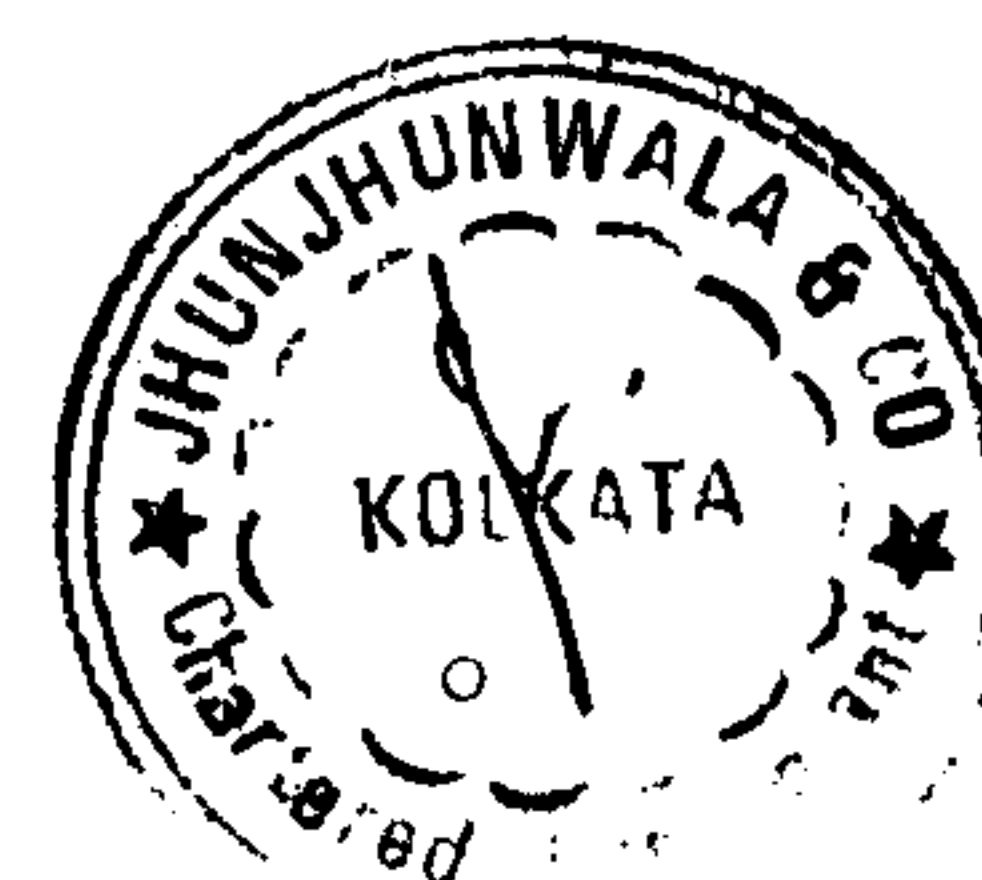
Directors

Bhujari

## M/s NATIONAL PLYWOOD INDUSTRIES LIMITED

## Notes forming part of the financial statement

Note	Particulars
<b>1</b>	<b><u>Significant accounting policies</u></b>
<b>A</b>	<b>Basis of accounting and preparation of financial statements</b> The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out.
<b>B</b>	<b>Use of estimates</b> The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.
<b>C</b>	<b>Fixed assets</b> Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT and other credits, wherever applicable), taxes, incidental expenses, erection / commissioning expenses and borrowing costs etc. up to the date the assets are ready for their intended use.
<b>D</b>	<b>Depreciation</b> Depreciation on Fixed Assets is provided on written down value method at the rates prescribed in Schedule XIV of the Companies Act, 1956 or at rates determined based on the useful life of the assets, whichever is higher.
<b>E</b>	<b>Impairment of assets</b> The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external / internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rates and weighted average cost of capital.
<b>F</b>	<b>Investments</b> Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, but provision for diminution in value is made to recognise a decline other than temporary in the value of such investments.
<b>G</b>	<b>Inventories</b> Inventories are stated at lower of cost and net realisable value. The cost of finished goods and stock-in-process Comprises raw materials, direct labour, other direct cost and related production overheads upto the relevant stage of completion, Purchased finished goods are valued at cost of Purchase,
<b>H</b>	<b>Revenue recognition</b> Revenue (income) is recognised when no significant uncertainty as to determination/ realisation exists.  <b>Interest</b> Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
<b>I</b>	<b>Employee Benefit</b>  <b>Providend Fund</b> Contribution towards providend fund for certain employee is made to the regulatory authorities authorities, Where the company has no further obligation.





**Gratuity**

The Company does not provides for gratuity, a defined benefit plan (the Gratuity Plan) covering eligible employee in accordance with the Payments of Gratuity Act, 1972, which are admissible through Life-Insurance Corporation (LIC) and trust which is administered by the trustee.

**J Excise: Re Aqueous Solution Case**

i) Refund claim of Rs 66.29 lacs transferred to Consumer Welfare Fund, Appeal filed is pending with CESTAT, Kolkata.

ii) Refund claim of Rs 19.11 lacs sanctioned and paid but department has filed appeal before tribunal, Order from CESTAT is pending.

iii) Refund claim of Rs 53.56 lacs pending in Appeal before Tribunal, Kolkata.

Total Contingent Refund is approx Rs 119.85 lacs.

**K Earnings per share**

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

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

**L Taxation**

Tax expense comprises of current and deferred tax.

Current income-tax are measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred tax is recognized on a prudent basis for timing differences, being difference between taxable and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). Deferred tax asset is recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such asset can be realised against future taxable income. Unrecognised deferred tax asset of earlier periods are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the period in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

a) Disputed Income for Rs 2,50,82,624/- for assessment year 1996-97 for which the appeal is pending at Kolkata High Court.

**M Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**N Contingent liabilities**

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of notes to the accounts.

Central Excise

i) Due to dispute in classification and/or valuation of certain items of finished goods under the Central Excise & Salt Act, 1944, a demand of Rs 19.03 lacs (approx) has been confirmed by Central Excise Department. Department has been requested to adjust the amount against refund claim pending with the department.

ii) Demand on duty Rs 182.68 lacs approx. confirmed by the commissioner C.E. on 10.10.2001, against show cause notice dated 12.12.1985. Appeal petitions filed in Tribunal, Kolkata against the order which has been rejected and Appeal filed before the Guwahati High Court is pending.

iii) Demand of duty Rs 20.65 lacs confirmed. Appeal and stay petition filed before the Tribunal Kolkata, Stay petition has been allowed, Appeal is pending

Total Contingent liabilities on this account is approx Rs 250.49 lacs.

Provident Fund

Provident Fund Liabilities is being paid as per agreed stipulated term. Necessary applications were filed with concerned authorities to waive penal interest(s), penalties, damages & other charges on the liability of the company



as on 31.03.2015.

Sales Tax-Hosur, Tamilnadu:

Demand of Rs 345.69 lacs is outstanding against IFST Loan against which a stay has been granted by the Madras High Court.

Sales Tax-West Bengal:

The Sales Tax department has raised several ex-parte demands pertaining to WBST & CST on the Company along with interest and penalty for non submission of forms, way bills and old records from 1995-96 to 2005-06. The Principal Amount demanded is Rs 1284.72 lacs and Interest Rs 986.64 lacs. Demands for the year 1995-96 and 1996-97 have been assessed and demands for Rs 874.77 lacs has been set aside leaving a total liability of Rs 1396.00 lacs against these demands which are pending before the Appellate & Revision Authorities. Even though the company is hopeful for favourable order(s) in most of the cases, as per Hon'ble BIFR directions a contingent liability of Rs 1396.00 lacs is being taken on record.

- O In order to bring value to the company and help the company to overcome the crisis pursuant to it becoming sick, the promoter, Late Mr M.L.Periwal had decided to sell the 'National' brand for Plywood & laminates and other allied products to the company at a cost of Rs 674.10 lakhs arrived as per Independent report. This justifies the sacrifices to be made by the promoter towards rehabilitation of the company through the Hon'ble BIFR. This sacrifice is part of the promoter contribution. The company proposes to issue share of the face value of Rs 10/- each at a premium of Rs 5/- per share to acquire the brand at cost. This issues of shares against the value of brand goodwill shall be part of the scheme to be approved by the Hon'ble BIFR pending which the amount shall be kept as current liability in the company as Advance against Brand. This will be distinguished from the other current liabilities and there will not be any compromise on this liability as part of the proposed scheme.
- P The company has entered into a One Time Settlement(OTS) with its secured lenders. On account of the OTS entered into with all the secured lenders(Banks) the company has paid full and final sum of Rs 1246.78 Lacs in the previous year.
- Q Interest on loans from Banks & Financial Institutions has been provided and paid in full in the previous year.

**R Provisions**

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance date and adjusted to reflect the current best estimates.



ATIONAL PLYWOOD INDUSTRIES LIMITED

otes forming part of the financial statement

2 Share Capital

a) Share Capital	As at 31st March 2015		As at 31st March 2014	
	Number	Amount (Rs)	Number	Amount (Rs)
Authorised Equity Shares of Rs 10 each Preference Shares of Rs 10 each	25,000,000 -	250,000,000 -	25,000,000 -	250,000,000 -
<b>Total</b>	<b>25,000,000</b>	<b>250,000,000</b>	<b>25,000,000</b>	<b>250,000,000</b>
Issued, Subscribed & Paid up Equity Shares of Rs 10 each Preference Shares of Rs 10 each	5,853,750 -	58,537,500 -	5,853,750 -	58,537,500 -
<b>Total</b>	<b>5,853,750</b>	<b>58,537,500</b>	<b>5,853,750</b>	<b>58,537,500</b>

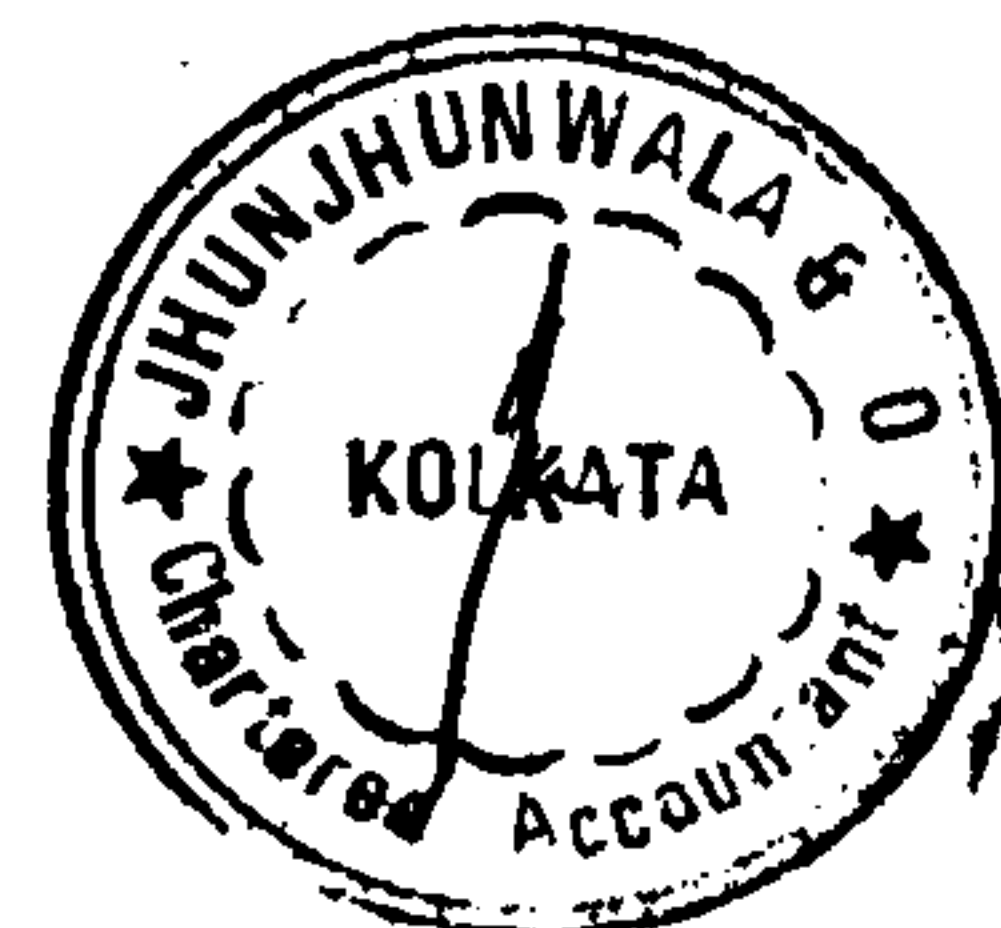
b) The reconciliation of the Number of Shares Outstanding and the amounts of Share Capital:

Particulars	Equity shares	
	Number	Amount (Rs)
Shares outstanding at the beginning of the year	5,853,750	58,537,500
Shares Issued during the year	-	-
Shares outstanding at the end of the year	<b>5,853,750</b>	<b>58,537,500</b>

c) The details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Smt Chandrakanta Periwal	564650	9.65	342450	5.85
Madhulika Periwal	343240	5.86	300490	5.13
Piyush Kumar Periwal	322575	5.51	303425	5.18
Amrex Marketing Pvt Ltd	598740	10.23	598740	10.23
Mahendra G. Wadhvani	306000	5.23	306000	5.23
	<b>2,135,205</b>	<b>36.48</b>	<b>1,851,105</b>	<b>31.62</b>

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Preference Shares held	% of Holding	No. of Equity Shares held	% of Holding
		<b>0.00</b>		<b>0.00</b>



**Reserve and Surplus**

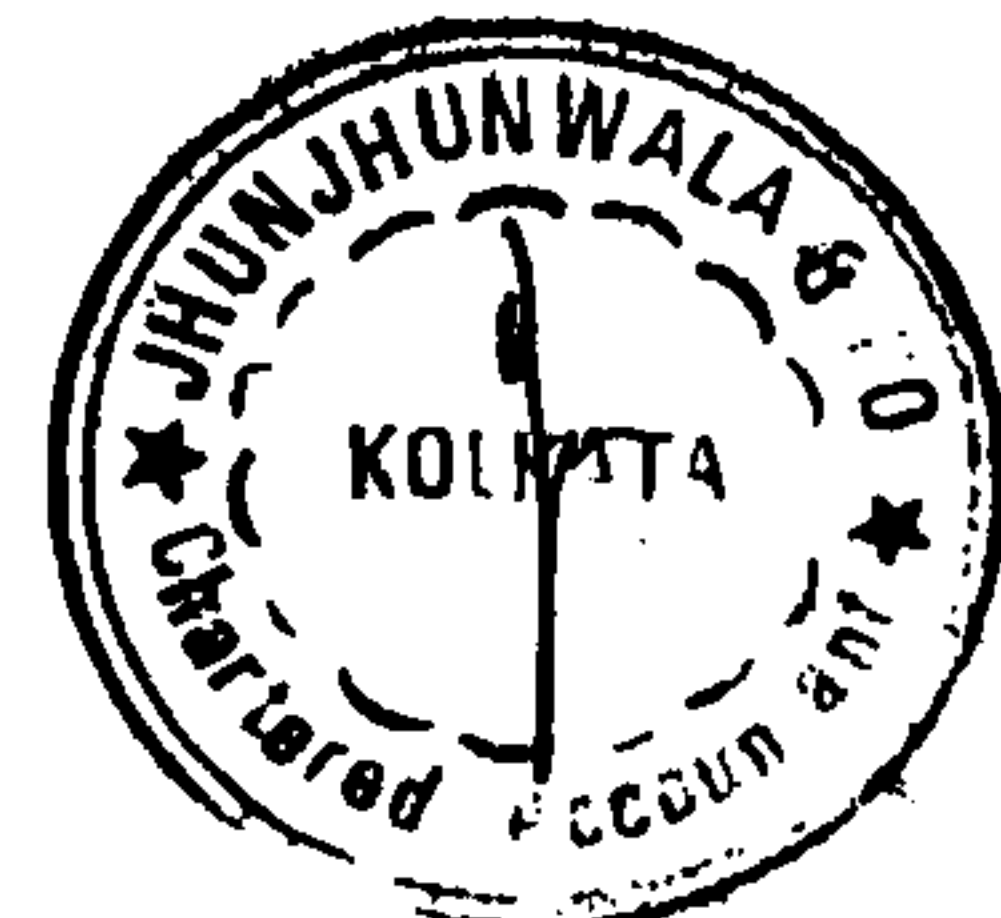
Reserves & Surplus	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
<b>General Reserve</b>		
Opening balance	85,000,000	85,000,000
Closing balance	85,000,000	85,000,000
<b>Capital Reserve</b>		
Opening balance	30,755,905	30,755,905
Add: Securities premium credited on share issue	-	-
Closing balance	30,755,905	30,755,905
<b>Investment Allowance Reserve</b>		
Opening balance	867,830	867,830
Add: Additions during the year	-	-
Closing balance	867,830	867,830
<b>Securities Premium Account</b>		
Opening balance	20,365,000	20,365,000
Closing balance	20,365,000	20,365,000
<b>Statutory Reserve</b>		
Capital Subsidy Account	1,500,000	1,500,000
Grant received	2,000,000	2,000,000
	3,500,000	3,500,000
<b>Surplus</b>		
Opening balance	(929,272,166)	(927,008,749)
Add: Net Profit for the current year	306,446,760	(2,263,417)
	(622,825,406)	(929,272,166)
Closing balance	-622,825,406	-929,272,166
<b>Total</b>	<b>482,336,671</b>	<b>-788,783,431</b>

**4 Long-term Borrowings**

Long-term Borrowings	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
<b>(a) Unsecured</b>		
From Sundry parties	99,531,444	104,944,276
Security Deposits	3,163,546	3,163,546
Others- Sales tax deferred scheme	34,595,749	34,595,749
<b>Total</b>	<b>137,290,739</b>	<b>142,703,571</b>

**5 Long-term Provisions**

Long-term Provisions	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
Provision for Fringe Benefit Tax A.Y.2006-07	188,100	188,100
Advance for Brand	67,410,000	67,410,000
Advance toward Share Buy-Back From Banks/FI	9,310,000	-
Unclaimed Dividends 1995-96	86,794	86,794
Share Application - Refund Account	50,165	50,165
<b>Total</b>	<b>77,045,059</b>	<b>67,735,059</b>



6 Short-term Borrowings

Short-term Borrowings	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
(a) Secured		
Working Capital Loans		
From Banks		
Rupee Loans	5,607,565	145,124,898
Term Loan	-	101,509,276
Interest Accrued on Term loan	-	195,675,400
Temporary overdraft from banks	234,980	351,809
<b>Total</b>	<b>5,842,545</b>	<b>442,661,383</b>

(a) Working Capital is secured by hypothecation of present and future stocks of raw materials, stock-in-process, finished goods, stores & spare parts, books debts and other moveable assets and personal guarantees of some of the directors of the company.  
 b) Term loans are partly secured by pari-passu first charge on the fixed assets of the company & personal guarantees of some of the directors of the company and partly by exclusive charge on the specific assets and personal guarantees of the directors.

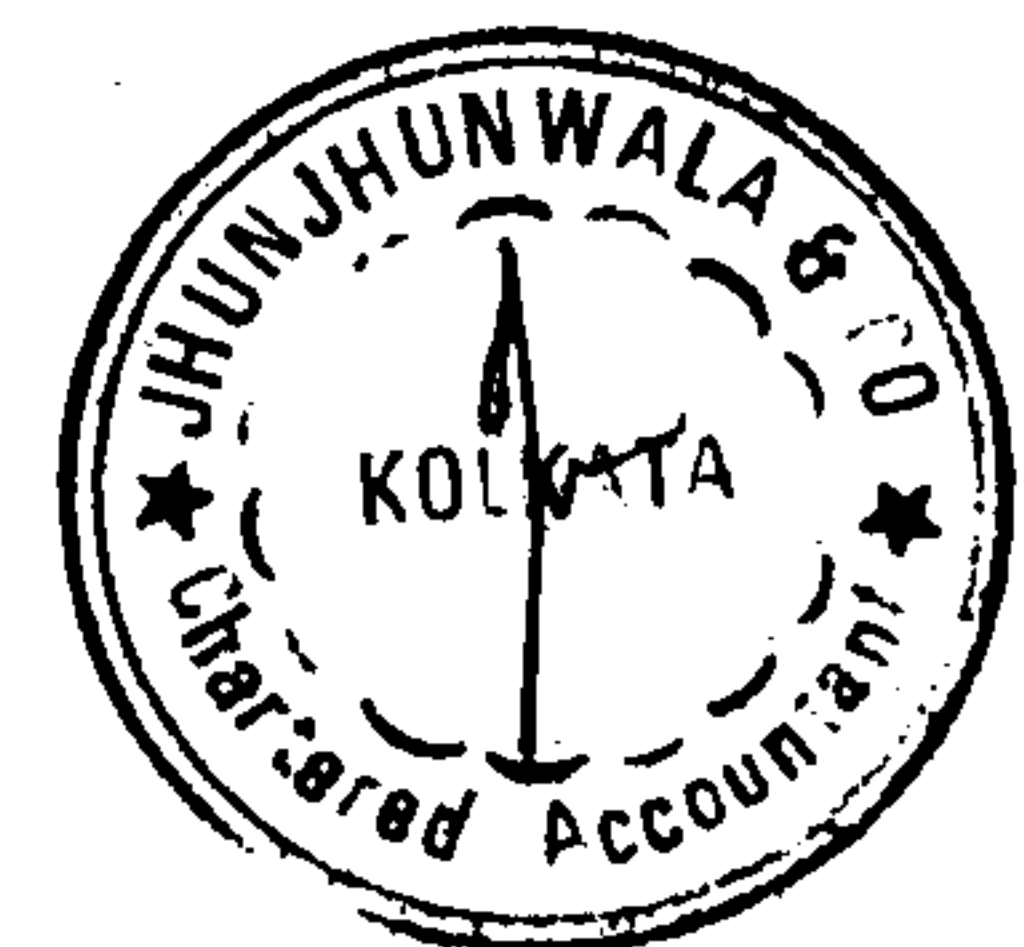
7 Trade Payables

Trade Payables	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
(a) Due to Micro, Small and Medium enterprises	316,750,093	244,888,290
<b>Total</b>	<b>316,750,093</b>	<b>244,888,290</b>

8 Other Current Liabilities

Other Current Liabilities	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
(a) Payable for Expenses	10,603,651	11,741,570
(b) Other Payables	280,530,746	241,815,849
(c) Advance From Customers	15,291,501	42,732,184
<b>Total</b>	<b>306,425,898</b>	<b>296,289,603</b>

9 Fixed Assets  
(Separately annexed)

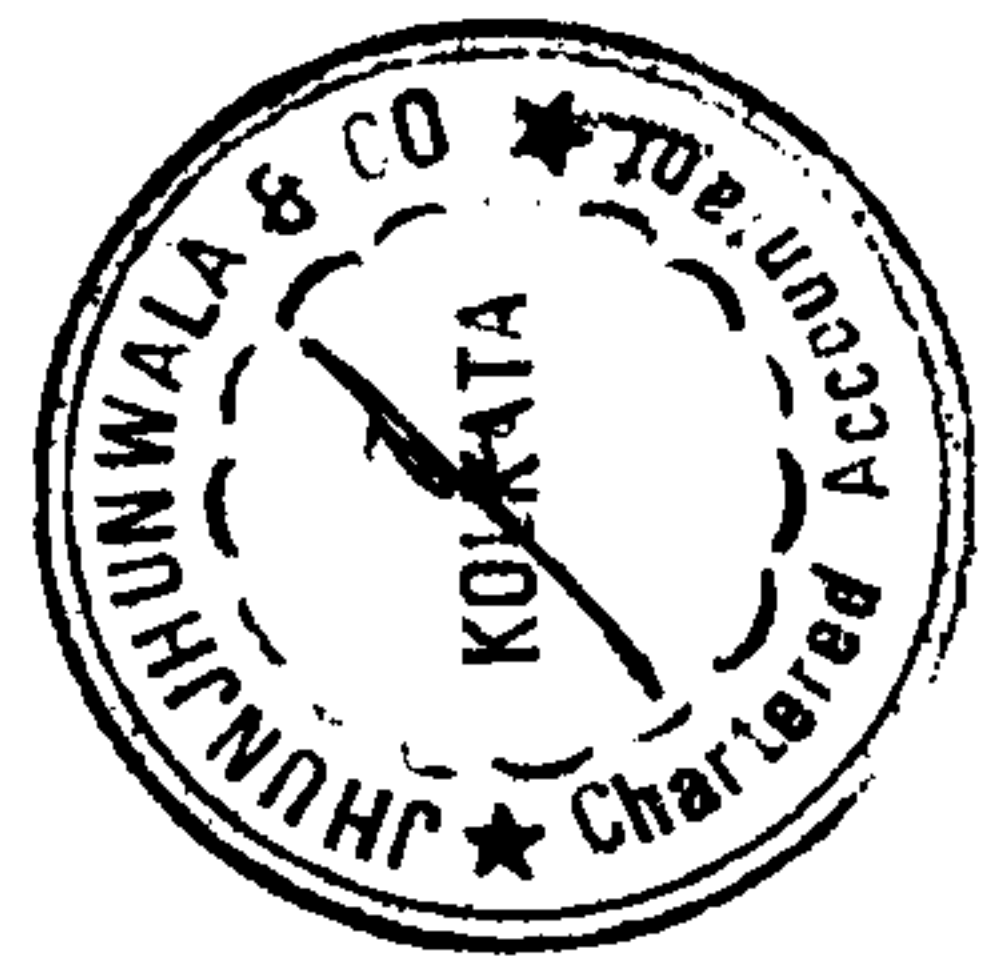


NATIONAL PLYWOOD INDUSTRIES LIMITED

SCHEDULE OF FIXED ASSETS 31ST MARCH, 2015

NOTES-9

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	COST AS AT 01.04.2014 Rs.	ADDITION DURING THE YEAR Rs.	SALES/ TRANSFER Rs.	TOTAL COST AS AT 31.03.2015 Rs.	UP TO 31.03.2014 Rs.	ADJUSTMENT S DURING THE YEAR Rs.	FOR THE YEAR Rs.	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
LAND	743765	3500000	14730	4229035	-	-	-	4229035	743765
BUILDINGS	51939965	3048056	16951111	38036910	33337097	10305941	1149119	13856635	18602868
PLANT & MACHINERY	202727199	25690561	52911314	175506446	180910845	40586620	1558590	33623631	21816354
VEHICLES	8555066	-	-	8555066	8091329	-	145695	318042	463737
ELECTRIC FITTINGS	1506561	1668588	250024	2925125	1440892	250024	104977	1629280	65669
FURNITURE & FIXTURES	10195721	188704	1592365	8792060	10183541	1592365	8514	192370	12180
OFFICE EQUIPMENTS	9609201	-	241590	9367611	9300412	238386	70379	235204	308788
COMPUTER	1483254	73661	12801	1544114	1447169	12801	25541	84205	36085
AIR CONDITIONERS	749891	31000	-	780891	739774	-	8634	32483	10117
CYCLE	-	3600	-	3600	-	-	3600	-	-
BRAND GOODWILL	67410000	-	-	67410000	-	-	-	67410000	67410000
TOTAL --->	354920623	34204170	71973935	317150858	245451059	52,986,136	3075049	121610884	109469563
WORK IN PROGRESS	17397299	10420396	27817695	-	-	-	-	-	17397299
TOTAL --->	372317922	44624566	99791630	317150858	245451059	52,986,136	3075049	121610884	126866862
PREVIOUS YEAR	353582383	4713191	-	358295574	239727629	-	3058026	115509918	242785655



10 Non-Current Investments

Particulars	As at 31st	As at 31st March
	March 2015	2014
	Amount (Rs)	Amount (Rs)
<b>Investments (Refer below)</b>		
Investment in Equity instruments	100,000	100,000
Others	5,000	5,000
<b>Total</b>	<b>105,000</b>	<b>105,000</b>

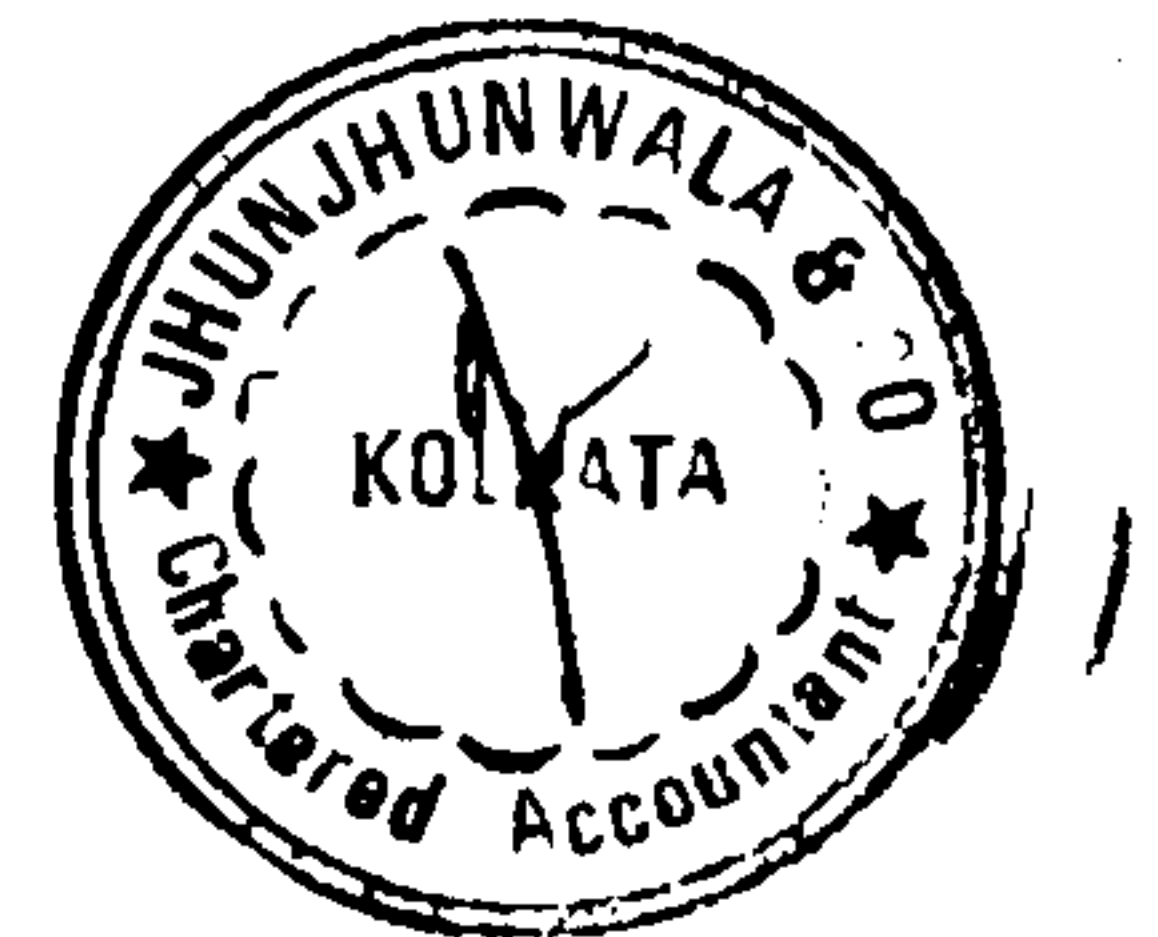
Details of Non-Trade

Name of the Body Corporate (1)	No. of Shares / Units		Amount (Rs)	
	2015	2014	2015	2014
	(2)	(3)	(4)	(5)
<b>a. Investment in Equity Instruments</b>				
<b>Unquoted, fully paid-Long Term Investments</b>				
Periwal Plastics Pvt Ltd of Rs 100 each	1,000	1,000	100,000	100,000
<b>Total</b>			100,000	100,000
<b>b. Others</b>				
Assam Petro chemicals Ltd of Rs 10 each	500	500	5,000	5,000
			5,000	5,000
<b>Grand Total</b>			<b>105,000</b>	<b>105,000</b>

Aggregate amounts of Unquoted Investments	105,000	105,000
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11 Long Term Loans and Advances

Long Term Loans and Advances	As at 31st	As at 31st March
	Amount (Rs)	Amount (Rs)
<b>a. Others</b>		
Advance Payment of taxes (Net)	2,740,823	2,774,170
Advance to Others	17,306,076	25,406,076
<b>b. Loans</b>	2,773,320	2,773,320
<b>c. Deposits</b>		
Sundry Deposits	2,565,797	2,565,797
	<b>25,386,016</b>	<b>33,519,363</b>



12 Inventories

Inventories	As at 31 March 2015		As at 31 March 2014	
	Quantity	Amount (Rs)	Quantity	Amount (Rs)
a.) Finished goods (Valued at cost)		22,450,246		47,829,839
b.) Work-in-progress		-		5,418,809
c.) Raw Materials		74,695,313		74,589,447
<b>Total</b>		<b>97,145,559</b>		<b>127,838,095</b>

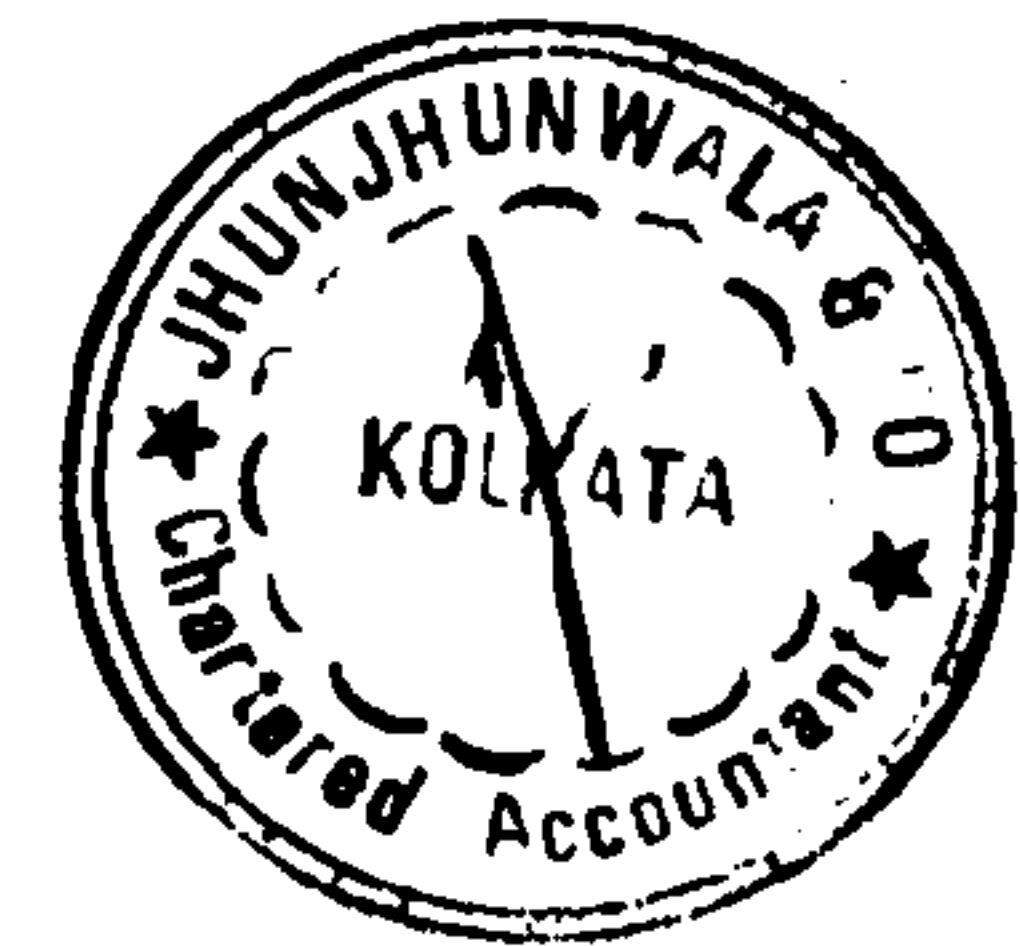
13 Trade - Receivables

Trade - Receivables	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
Trade receivables outstanding for a period more than six months from the date they are due for payment		
Unsecured, considered good	27,276,250	50,665,542
Unsecured, considered Doubtful	-	1,091,588
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	133,473,477	107,917,651
<b>Total</b>	<b>160,749,727</b>	<b>159,674,781</b>

14 Cash and Cash Equivalents

Cash and cash equivalents	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
a. Cash in hand	1,188,491	1,283,615
b. Balances with banks	1,898,927	1,029,421
c. Fixed Deposits with banks	-	275,480
	<b>3,087,418</b>	<b>2,588,516</b>

(a) Fixed deposits with banks include maturity of more than 12 months





15 Short Term Loans and Advances

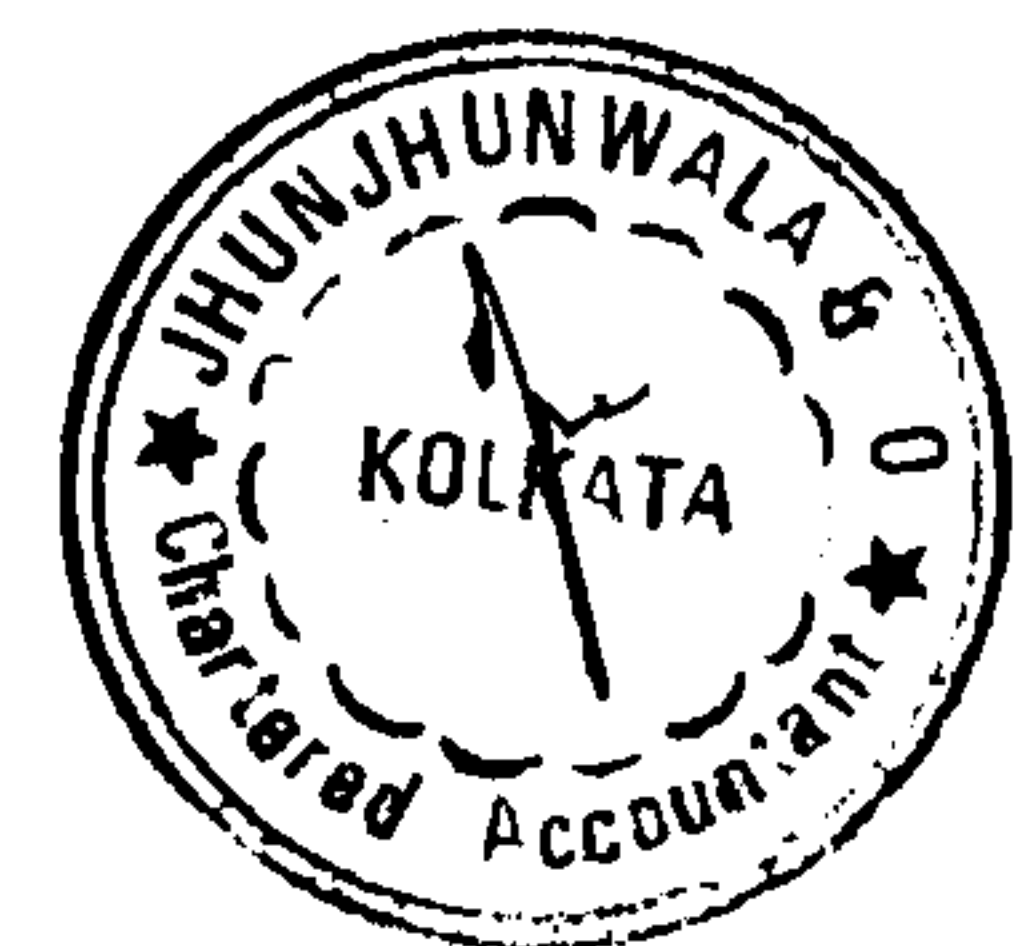
Short-term loans and advances	As at 31st March 2015	As at 31st March 2014
	Amount (Rs)	Amount (Rs)
<b>a. Advance to related Party</b> Advances to Related Party	508,540	568,540
<b>b. Others</b> Advance to Staff	2,304,954	3,204,954
Advance Against Property	-	-
Advance To Others	-	-
Advance Payment of taxes (Net)	-	-
Balance with Gov. Authorities	8,657,063	9,665,864
Accrued Interest on Fixed Deposits	-	-
<b>c. Deposits</b> Sundry Deposits	-	-
	<b>11,470,557</b>	<b>13,439,358</b>

16 Revenue from Operations

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
<b>Sale of Products</b> Gross Sale	407,722,656	447,445,300
Less: Excise Duty	19,868,990	17,261,167
Drawback on Export Sale	-	-
<b>Total</b>	<b>387,853,666</b>	<b>430,184,133</b>

17 Other Income

Other Income	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Other Income	-	995,141
Sundry Balance written off	-	5,397
Liabilities/Creditors no longer payable W/Back	13,652,189	1,388,666
Profit on sale of fixed Assets	11,117,202	-
<b>W/Off from banks &amp; FI balances as per BIFR</b>	<b>412,434,501</b>	-
Interest received	33,470	-
<b>Total</b>	<b>437,237,362</b>	<b>9,414,803</b>



18 Cost of material Consumed

Cost of material Consumed	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Consumption of - Raw Materials	203,724,221	134,085,605
<b>Total</b>	<b>203,724,221</b>	<b>134,085,605</b>

19 Changes in inventories of Stock-in-Trade

Changes in inventories of Stock-in-Trade	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Closing Stock of Finished/trading items	22,450,246	47,829,839
Less: Opening Stock of Finished/ trading items	47,829,839	44,982,707
<b>Total</b>	<b>(25,379,593)</b>	<b>2,847,132</b>

20 Employee Benefits Expense

Employee Benefits Expense	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Salaries, bonus and leave pay	25,860,913	23,887,338
Contribution to Provident Fund and Others Fund	1,659,463	1,267,647
Staff welfare expenses	165,840	391,291
<b>Total</b>	<b>27,686,216</b>	<b>25,546,276</b>

21 Financial Expense

Financial Expense	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Interest To Bank	699,855	637,688
<b>Total</b>	<b>699,855</b>	<b>637,688</b>

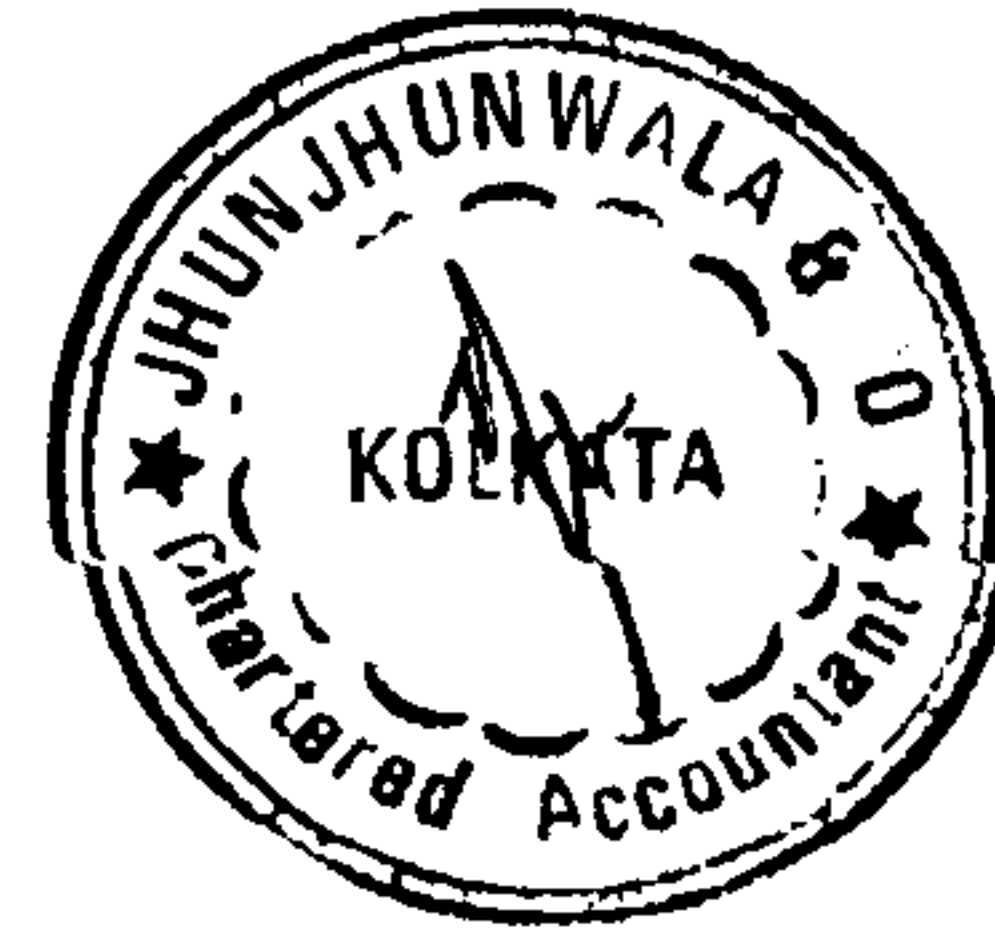
22 Depreciation and Amortisation Expense

Depreciation and Amortisation Expense	For the year	For the year
	Amount (Rs)	Amount (Rs)
Depreciation and Amortisation	3,075,050	2,652,603
<b>Total</b>	<b>3,075,050</b>	<b>2,652,603</b>



## 23 Other Expenses

Other Expenses	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
<b>Manufacturing, Administrative &amp; Selling Expenses</b>		
Stores and Spares Consumed	6,525,113	1,609,308
Packing & Forwarding Charges	6,297,696	9,886,255
Repair to Plant & Machinery	1,430,405	1,338,337
Repair to Building	19,183	12,120
Repair to Others	177,575	53,740
Payments to Auditors	35,000	35,000
Power & Fuel	11,199,521	9,020,434
Service Tax on Freight	69,036	113,572
Miscellaneous Expenses	12,467,113	5,031,340
Vehicle Maintenance Expenses	414,181	374,178
Sundry Balance Advance W/off back	1,824,868	-
Rates & taxes	27,587	16,700
Insurance	305,225	407,774
Rent (Office & Godown)	1,876,446	1,713,118
Sampling Charges	3,181,646	3,034,915
Sales Tax	326,449	89,241
Central Excise Duty Receivable W/off	6,415,585	-
<b>Total</b>	<b>52,592,629</b>	<b>32,736,032</b>



24 Payment to auditor

Payment to auditor	For the year ended 31st March 2015	For the year ended 31st March 2014
	Amount (Rs)	Amount (Rs)
Statutory audit	35,000	35,000
<b>Total</b>	<b>35,000</b>	<b>35,000</b>

25 Disclosures of related party transactions (as identified & certified by the management):

As per Accounting Standard-18- ' Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below :

- |                              |                                   |
|------------------------------|-----------------------------------|
| (a) Key Management           |                                   |
| (a) Shri Piyush Periwal      | Vice Chairman & Managing Director |
| (b) Shri Vijay Kumar Periwal | Director                          |
| (c) Shri N.G.Paul            | Director                          |
| (d) Shri Abhijeet Sarkar     | Director                          |



26 Earning per share (EPS)

Particulars		For the Year	For the Year
		Ended 31st March 2015	Ended 31st March 2014
Profit after tax	Rs.	306,446,760	(2,263,417)
Weighted average number of equity shares outstanding during the	Nos.	5,853,750	5,853,750
Nominal value of equity per share	Rs.	10	10
Basic earning per share (EPS)	Rs.	52.35	-0.39

27 To Make regular monthly Contribution to Various Provident Funds which are in the nature of defined Contribution schemes and such paid/payable amount are charged against revenue. To administer through duly constituted and approved independent trusts various gratuity and pension funds, which are in the nature of defined benefit/contribution schemes. To determine the liabilities towards such schemes as applicable by an independent actuarial valuations as per the requirements of Accounting.

28 Micro, Small and Medium Enterprises

There are Micro, Small & Medium Enterprises, to whom the Company owes dues, which are outstanding as at 31st March 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

29 In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated in accounts, if realised in ordinary course of business, unless otherwise stated. The provision for all known liabilities is adequate and not in excess/short of the amount considered reasonable/necessary.

30 Balances of some of the Sundry creditors, Loans and advances incorporated in the books as per balances appearing in the relevant subsidiary records, are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation, if any. The management however is of the view that there will be no material discrepancies in this regard.

31 Historically, the company's investment in unquoted shares has been done with a view to hold them for long term and thereby earn capital gains, since dividend payout on such investments has generally been nil. The aforesaid policy has been taken into consideration while computing the provision for income-tax as applicable

32 The financial statements for the year ended 31st March, 2014 had been prepared as per the then applicable revised Schedule VI to the Companies Act, 1956, Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March, 2015 are also prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's notifications.

33 Figures in the bracket relate to previous year.

34 Figures have been rounded off to nearest rupee.

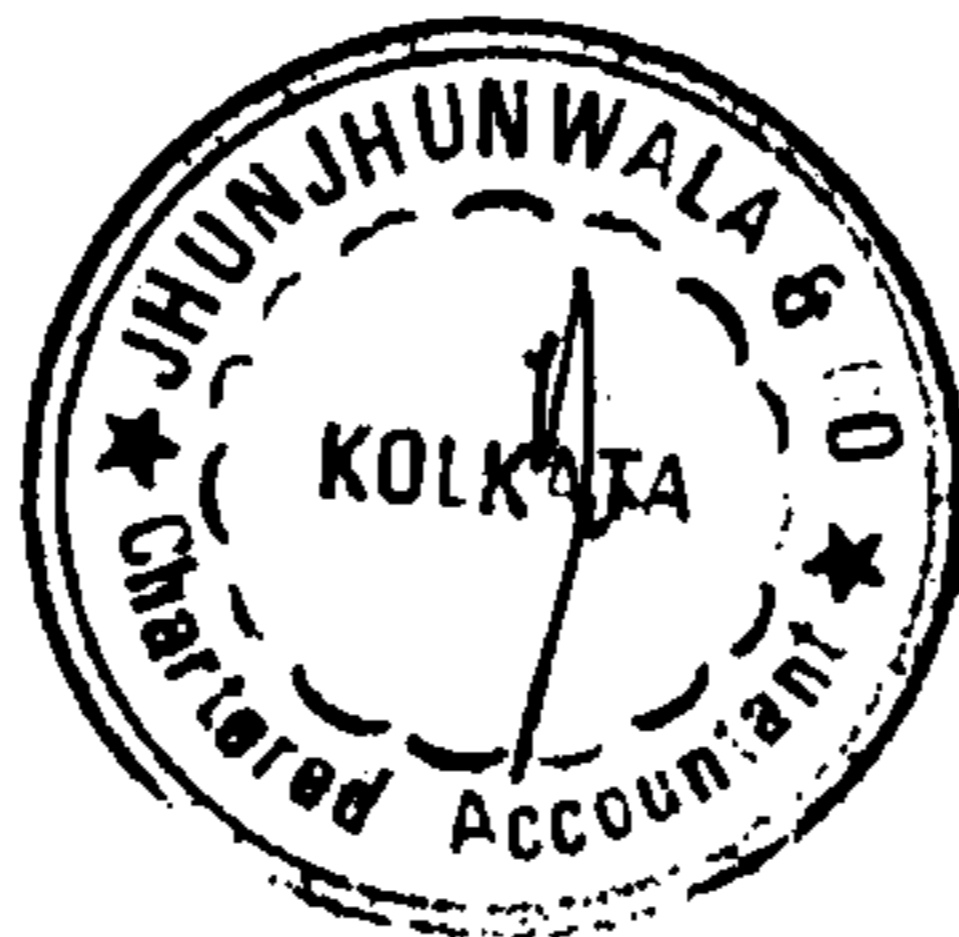
As per our report of even date attached

For JHUNJHUNWALA & CO  
Chartered Accountants  
Firm Reg no: 302169E

✓ R. K. JhunJhunwala

CA. R K JHUNJHUNWALA  
Proprietor  
Membership No. 006604

Place: Kolkata  
Date: 30th July, 2015



Directors

*[Handwritten signature]*

*[Handwritten signature]*

**NATIONAL PLYWOOD INDUSTRIES LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax	306,446,760	(2,263,417)
Adjustments for :		
Depreciation	3,075,050	2,652,603
Loss /(Profit) on sale of Fixed Assets	-	-
Interest	699,855	637,688
Interest written back for earlier year	-	-
<b>Operating Profit before Working Capital changes</b>	<b>310,221,665</b>	<b>1,026,874</b>
Adjustments for :		
Trade and Other Receivables	(33,615,770)	(15,832,908)
Inventories	31,550,845	37,336,270
Trade payables	53,245,915	56,256,908
Investments	-	-
Term Loan	529,688	529,688
Working Capital Loan from bank	-	-
OTS Settlement	-	-
Preliminary Expenses	-	-
<b>Cash generated from operations</b>	<b>361,932,343</b>	<b>79,316,832</b>
Income Tax refund	-	-
Income Tax paid	-	-
Wealth Tax paid	-	-
<b>Net Cash Flow from Operating Activities(A)</b>	<b>361,932,343</b>	<b>79,316,832</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Dividend income	-	-
Purchase of Fixed Assets	(312,643,506)	(14,009,548)
Sale of Fixed Assets	-	-
Sale of Share	-	-
<b>Net Cash Flow from Investing Activities(B)</b>	<b>(312,643,506)</b>	<b>(14,009,548)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Grant Received		
Proceeds from Long Term Borrowings	9,350,145	12,426,133
Decrease /Increase in Financial Lease Liability	(57,440,225)	(78,482,223)
Interest Paid	(699,855)	(637,688)
<b>Net Cash Flow from Financing Activities©</b>	<b>(48,789,935)</b>	<b>(66,693,778)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash equivalents(A+B+C)</b>	<b>498,902</b>	<b>(1,386,494)</b>
<b>Cash and Cash equivalents as on 01.04.2014</b>	<b>2,588,516</b>	<b>3,975,010</b>
<b>Cash and Cash equivalents as on 31.03.2015</b>	<b>3,087,418</b>	<b>2,588,516</b>

Kolkata,  
Dated: 30.07.2015

  
*Bhajan*  
Directors

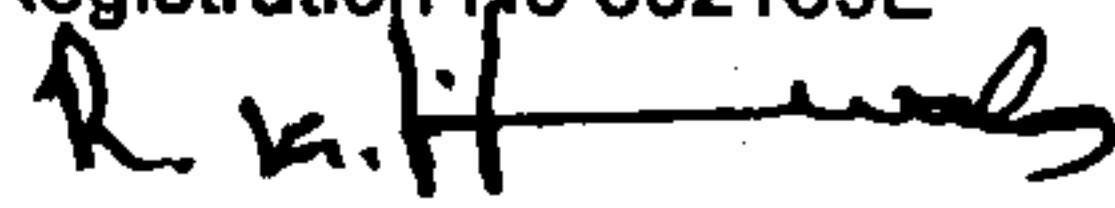
**AUDITORS' CERTIFICATE**

We have examined the above Cash Flow Statement of NATIONAL PLYWOOD INDUSTRIES LIMITED for the year ended 31st March,2015. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of listing agreement with Stock Exchanges and is based on and in agreement with the books and records of the Company and also the Statement of Profit and Loss Account and Balance Sheet covered by our report of even date to the members of the Company .

Kolkata  
Dated : 30.07.2015



For JHUNJHUNWALA & COMPANY  
Chartered Accountants  
Firm Registration No 302169E

  
R.K. Jhunjhunwala  
Proprietor  
(Membership No.006604)