



## STAR PAPER MILLS LIMITED

CIN-L21011WB1936PLC008726

Registered Office : Duncan House, 2<sup>nd</sup> Floor, 31 Netaji Subhas Road, Kolkata – 700 001.

Ph: (033) 22427380-83, Fax:(033)22427383, email star.cal@starpapers.com web: starpapers.com

### NOTICE TO SHAREHOLDERS

NOTICE is hereby given to the Shareholders that the 81<sup>st</sup> Annual General Meeting of the members of Star Paper Mills Limited will be held on **Monday 28<sup>th</sup> September, 2020 at 3:00 P.M.** through Video Conferencing/ Other Audio Visual Means (VC/OAVM) facility to transact the following business :

#### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2020 and Statement of Profit & Loss for the financial year ended on that date together with Board of Directors and the Auditors' Report thereon.
2. To declare a dividend on Equity shares.
3. To appoint a Director in place of Mr. Shrivardhan Goenka (DIN:00030375) who retires by rotation at this AGM and being eligible, has offered himself for re-appointment.

#### **SPECIAL BUSINESS:**

##### **4. Appointment of Mr G.P. Goenka as 'Chairman Emeritus'**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modifications(s) or re-enactment(s) thereof and other applicable provisions of law, if any, and such other consents and permissions, as may be required in this regard, consent of members of the company be and is hereby accorded to appoint Mr. G.P. Goenka as 'Chairman Emeritus', inter-alia, on the terms & conditions as detailed in the explanatory statement, annexed hereto and forming part of this notice with liberty to the Board of Directors to alter or vary any of aforesaid terms & conditions as may be agreed to between the Board and Mr. Goenka subject to the provisions of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to do all such acts, matters and things as may be required/necessary to give effect to the above resolution."

##### **5. Approval of payment as per revised terms of remuneration to Mr. G.P. Goenka erstwhile Executive Chairman (DIN: 00030302) for the period 1<sup>st</sup> Oct., 2019 to 30<sup>th</sup> July, 2020.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions under Section 197, 198, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act" ) including any statutory amendments, modifications or re-enactment thereof and subject to such other requisite approvals, as may be required in this regard, the consent of the Shareholders be and is hereby accorded for payment as per revised terms of remuneration to Mr. G.P. Goenka erstwhile 'Executive Chairman' (DIN: 00030302) for the period 1<sup>st</sup> Oct., 2019 to 30<sup>th</sup> July, 2020."

"RESOLVED FURTHER THAT the Board or a Committee thereof be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

##### **6. Approval for payment of remuneration to Mr. Madhukar Mishra (DIN: 00096811) for his current term from 1<sup>st</sup> July, 2019 to 30<sup>th</sup> June, 2022.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions under Section 197, 198, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act" ) including any statutory amendments, modifications or re-enactment thereof and subject to such other requisite approvals, as may be required in this regard, the consent of the Shareholders be and is hereby accorded for payment of remuneration to Mr. Madhukar Mishra, Managing Director of the company, during his current term from 1<sup>st</sup> July, 2019 to 30<sup>th</sup> June, 2022 as approved by the Shareholders at their 80<sup>th</sup> AGM or such higher remuneration as approved by the Board from time to time notwithstanding that the remuneration may exceed the limits prescribed in the provisions of Section 197, 198 and /or Schedule-V to the Companies Act, 2013 in case of no profits/inadequate profits"



"RESOLVED FURTHER THAT Mr. Madhukar Mishra shall not be liable to retire by rotation during the currency of his current term as aforesaid."

"RESOLVED FURTHER THAT the Board or a Committee thereof be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### 7. To approve the remuneration of the Cost Auditors for FY 2020-21.

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the company for the financial year 2020-21, be paid remuneration of Rs 0.50 lac plus applicable taxes and out-of-pocket expenses."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to increase or decrease remuneration."

By order of the Board of Directors

SAURABH ARORA  
Company Secretary

26<sup>th</sup> Aug, 2020  
Registered Office:  
Duncan House, 2<sup>nd</sup> Floor  
31 Netaji Subhas Road  
Kolkata – 700 001  
CIN:L21011WB1936PLC008726

#### NOTES :

1. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of business item Nos. 4-7 are annexed hereto.
2. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 (collectively "MCA Circulars" ), permitted companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM). In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 81<sup>st</sup> AGM of the company is being convened and conducted through VC mode.
3. The Company has enabled the Members to participate at the 81<sup>st</sup> AGM through the VC facility provided by KFin Technologies Private Limited (KFin), Registrar and Share Transfer Agents.
4. Further, proceedings of the 81<sup>st</sup> AGM will be web-casted live for all the shareholders as on the cut-off date i.e. 21<sup>st</sup> Sept., 2020. The shareholders can visit <https://emeetings.kfintech.com> and login through existing user id and password to watch the live proceedings of the 81<sup>st</sup> AGM on 28<sup>th</sup> Sept., 2020 from 3:00 P.M. onwards.
5. Pursuant to MCA Circulars, Members attending the 81<sup>st</sup> AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 81<sup>st</sup> AGM is being held through VC facility as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 81<sup>st</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The deemed venue for this 81<sup>st</sup> AGM of the company shall be registered office of the company.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Members of the Company shall remain closed from 21<sup>st</sup> Sept., 2020 to 28<sup>th</sup> Sept., 2020 both days inclusive.
9. In line with the MCA Circulars, Notice of the 81<sup>st</sup> AGM along with the Annual Report 2019-20 are being sent only by electronic mode to those

Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2019-20 will also be available on the Company's website at <https://www.starpapers.com/investorrelation/annual-report>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of KFin Technologies Private Limited at <https://evoting.kfintech.com>.

10. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, Selenium, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032.
11. Members desiring any information as regard the Accounts may write to the company at least 10 days before the Annual General Meeting so as to enable the management to keep the information ready at the meeting.
12. Pursuant to the provisions of the Companies Act, 2013, all unclaimed dividends for the period upto and including the year ended 31<sup>st</sup> March, 2011 have been transferred to the Investor Education and Protection Fund of the Central Government. Further, pursuant to IEPF (Accounting, Audit, Transfer & Refund) Rules, 2016, the company has also transferred shares to IEPF Authority in respect of unclaimed/unpaid dividend already transferred to IEPF fund. Shareholders can claim the above shares and/or dividend from the IEPF Authority by following the prescribed procedure.
13. Members are further requested to notify/send the following to the Registrar and Share Transfer Agents:
  - Intimation of change in address;
  - Particulars of their bank account, in case the same have not been sent earlier;
  - Share certificate(s) held in multiple accounts in individual names or joint names in the same order of names, for consolidation of such shareholdings into one account.

#### (A) INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC:

- a) Members may access the platform to attend the AGM through VC at <https://emeetings.kfintech.com> by using their remote e-voting credentials. The link for the AGM will be available in the shareholder/Members login where the "Event" and the "Name of the company" can be selected. Please note that the Members who have not registered their e-mail address or do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the instructions as mentioned hereinafter.
- b) Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for members on first come first served basis upto 1000 members.
- c) Members are encouraged to join the Meeting using Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge or Mozilla Firefox 22.
- d) Members will be required to grant access to the web-cam to enable two-way video conferencing. Members are also advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC in a smooth manner. Participants may experience audio/video loss due to fluctuation in their respective networks.
- e) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.kfintech.com> and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open during 25<sup>th</sup> Sept., 2020 at 9:00 AM (IST) to 27<sup>th</sup> Sept., 2020 at 5:00 PM (IST). Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
- f) The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
- g) Members who have not registered their e-mail address and therefore, Annual Report and Notice of AGM could not be served, may temporarily get their e-mail address and mobile number registered with the company's Registrar, by clicking the link : [https://ris.kfintech.com/email\\_registration](https://ris.kfintech.com/email_registration) for sending the same. In case of any query, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or call on toll free number 1800-3454-001 . Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.

#### (B) INSTRUCTIONS FOR E-VOTING:

##### (I) Information and instructions for e-voting:

Pursuant to the provisions of Section 108 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations, the Company is providing to its members facility to cast their vote electronically, through the 'remote e-voting' services



provided by KFin Technologies Pvt Ltd (KFIN) on all resolutions set forth in this Notice.

Further, the facility for voting through electronic voting system will also be made available at the Meeting ( "Insta Poll" ) and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

**The instructions for 'remote e-voting' are as under:**

- In case a Member receives an e-mail from 'KFIN' for AGM Notice and Annual Report [for Members whose email IDs are registered with the Company/Depository Participants (s)]:
  - i) Launch internet browser by typing the URL: [www.evoting.kfintech.com](http://www.evoting.kfintech.com)
  - ii) Members can cast their vote online from 25<sup>th</sup> Sept., 2020 at 9:00 AM (IST) to 27<sup>th</sup> Sept., 2020 at 5:00 PM (IST).
  - iii) Enter the login credentials (i.e., user-id & password) . In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
  - iv) After entering these details appropriately, click on "LOGIN" .
  - v) You will now reach Password Change menu wherein you are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email ID etc on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - vi) You need to login again with the new credentials.
  - vii) On successful login, system will prompt to select the 'E-voting Event No.' of Star Paper Mills Ltd.
  - viii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - ix) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x) You may cast your vote by selecting appropriate option and click on "SUBMIT" .A confirmation box will be displayed .If you wish to confirm your vote, click "OK" ,else "CANCEL" to modify.
  - xi) Once you 'CONFIRM', you will not be allowed to modify your vote.
  - xii) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
  - xiii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e 21<sup>st</sup> Sept., 2020 may obtain the User ID and password thru email request to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or may call Kfintech's toll free number -1800-3454-001.

In case of any query or grievance, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> or contact at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or toll free number as given above.

- xiv) Corporate/Institutional Members (corporate /Fls/Flls/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution together with specimen signature of authorised signatory who is authorised to attend the AGM through VC/OAVM and to vote through remote e-voting to the Scrutinizer through e-mail to [debabrata@ddc.org.in](mailto:debabrata@ddc.org.in) and also upload the same in the e-voting module in their login. Institutional investors are encouraged to attend and vote at the meeting through VC.

**(II) Information and instructions for Insta Poll:**

Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting.

**(III) Others details:**

- (i) The voting rights of the Members shall be in proportion to their shares to the paid up capital of the company as on the cut-off date being 21<sup>st</sup> Sept., 2020.
- (ii) Mr. Debabrata Dutt, practicing company secretary (Membership no. FCS-5401) proprietor of M/s D. Dutt & Co. has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer after scrutinizing the votes cast at the meeting and through remote e-voting will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman.
- (iii) The results declared along with the Scrutinizer Report shall be placed on company' website [www.starpapers.com](http://www.starpapers.com) and on KFIN website [www.evoting.kfintech.com](http://www.evoting.kfintech.com) & will be communicated to the Stock Exchanges.

(iv) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 28<sup>th</sup> Sept., 2020.

#### STATEMENT SETTING OUT MATERIAL FACTS

(Pursuant to Section 102 of the Companies Act, 2013)

The following statement sets out all material facts relating to the special business mentioned in the accompanying Notice:

#### ITEM NO. 4

Mr. G.P. Goenka joined the Board of the company in 1986 as Promotor Director and rose to become the longest serving Chairman of the company. He stepped down from the position of 'Executive Chairman' and also Directorship of the Board for personal reasons which the Board accepted in its meeting held on 31<sup>st</sup> July, 2020. The Board also placed on record the appreciation for valuable contribution made by Mr. Goenka during his association with the company.

Under Mr. Goenka's leadership, the company transformed into a reputed growing and value creating organization by establishing long standing relationships across its wide spectrum of stakeholders with ethical standards and in pursuit of growth for all.

In view of Mr. G.P. Goenka's long stewardship of the Company through turbulent times, deep business insights, involvement in policy making and key decision making, the Board felt it useful to have Mr. Goenka as an Advisor to the company. The Board in its meetings held on 31<sup>st</sup> July, 2020 discussed the proposal and requested Mr. G.P. Goenka to act as an Advisor to the Company, designated as 'Chairman Emeritus' to which Mr. Goenka agreed. Being a related party transaction, the same has been also discussed and approved by the Audit & Risk Management Committee and the Board at their respective meetings held on 26<sup>th</sup> Aug., 2020 subject to approval of the members.

The scope of the advisory services to be provided by Mr. Goenka shall include advising the Board and the Management with broad strategic aspects of the business, supporting in establishing and enabling relationships with external forums on policy matters and in brand/ image building of the Company apart from advising the Company's board on any other areas that the Board/ Management may seek his advice.

In terms of Sec 188 of the Companies Act, 2013 read with Rules made thereunder, appointment to any office or place of profit in the Company at a monthly remuneration exceeding Rs. 2.50 lacs is subject to prior approval of the members.

The Board recommends the Resolution at Item No. 4 to be passed as an Ordinary resolution.

Except Mr. Shrivardhan Goenka and Mr. G.P. Goenka being his father, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors/ KMPs are, financially or otherwise concerned or interested, in the resolution.

Information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of the Boards and its Powers) Rules, 2014:-

a)	Name of the related party	Mr. G.P. Goenka
b)	Name of the director or KMP who is related, if any	Mr. Shrivardhan Goenka
c)	Nature of relationship	Mr. Shrivardhan Goenka is son of Mr. G.P. Goenka.
d)	<b>Nature, material terms, monetary value of the contract or arrangement:-</b>	
	<p><b>Nature of the Arrangement</b> Mr. G.P. Goenka's appointment as "Advisor" shall be in the capacity of an independent consultant and not an agent or employee of the Company. Mr. G.P. Goenka shall advise/ suggest the Board/Company Management on:</p> <ul style="list-style-type: none"> <li>a) Matters of Corporate Strategy, new business opportunities.</li> <li>b) advising the Board on company policies/initiatives</li> <li>c) Representing and/or creating strong linkages for the Company on various trade and Industry bodies, Government organizations and others to promote Company's business.</li> <li>d) Building the Company's image and brand equity.</li> <li>e) Advice the Company's Board in any other areas that the Board/ Company Management may seek from time to time.</li> </ul> <p><b>Material Terms:</b> The appointment, if approved by members, shall be effective from 28th Sept., 2020 initially for a period of three (3) years, renewable by the Board from time to time. The appointment can be terminated by either party by giving a 3 months' prior notice in writing to other party.</p>	

	<b>Monetary Terms:</b> <ol style="list-style-type: none"> <li><b>Payment of Fee/ Remuneration:</b> Rs. 1,80,00,000/- (Rupees One Crore Eighty Lacs Only) per annum (subject to statutory deductions)</li> <li><b>Perquisites and Allowances:</b> for housing &amp; maintenance, medical expenses &amp; insurance reimbursement, leave travel, personal accidental insurance, entertainment expenses etc. not exceeding Rs. 90,00,000/- (Rupees Ninety Lacs Only) per annum (subject to statutory deductions).</li> <li><b>Reimbursements:</b> All the expenses incurred on travelling, boarding, lodging, Club &amp; other incidental expenses while performing advisory services for and on behalf of the Company shall be reimbursed on actual basis.</li> <li><b>Facilities:</b> Mr. G.P. Goenka shall be provided requisite office facilities, chauffeur driven car and communication facilities to effectively avail his services.</li> </ol>	
e)	Any other information relevant or important for the members to take a Regulations, 2015, all persons belonging to decision on the proposed resolution	-Mr. Goenka is promoter of the company and having interest in the company besides the remuneration proposed as 'Chairman Emeritus'.  -Entities falling under the definition of related parties shall not vote to approve this transaction.

#### ITEM NO. 5

The shareholders at their 80<sup>th</sup> AGM held on 19<sup>th</sup> Sept., 2019 approved appointment and remuneration of Mr. G.P Goenka as Executive Director designated as 'Executive Chairman' w.e.f. 7<sup>th</sup> Aug., 2019 for a period of three(3) years.

Considering recommendation of the Nomination & Remuneration Committee (NRC) and Mr. G.P. Goenka's vast experience, strong leadership and relation-building skills, expertise in management, strategic planning, M&A, policy decision making and long association with the company and after having deliberations on the matter, the Board in their meeting held on 12<sup>th</sup> Feb., 2020 approved the revised terms of remuneration of Mr. G.P. Goenka w.e.f 1<sup>st</sup> Oct., 2019 upto his remaining tenure subject to approval of the shareholders.

As Mr. Goenka has stepped down from the position of 'Executive Chairman' and also Directorship of the Board from 31<sup>st</sup> July, 2020, approval of the shareholders is sought for payment as per revised terms of remuneration to Mr. Goenka for the period 1<sup>st</sup> Oct., 2019 to 30<sup>th</sup> July, 2020 as given hereunder:

#### REVISED TERMS OF REMUNERATION

##### A. Remuneration:

- I. **Salary:** Rs. 10,25,000/- (Rupees Ten lacs twenty five thousand only) per month.
- II. **Special Allowance:** Rs. : Rs. 5,75,000/- (Rupees Five lacs seventy five thousand only) per month.
- III. **House Rent Allowance:** Rs. 5,50,000/- (Rupees Five lacs fifty thousand only) per month
- IV. **Perquisites:** Mr. Goenka shall be entitled to the following perquisites:
  - i) **Medical benefit:** Reimbursement of actual expenses incurred, subject to a ceiling of three(3) month's salary in a block of three (3) years for domiciliary treatment and for hospitalization expenses at actuals.
  - ii) **Premium on Personal Accident Insurance:** Premium for Personal Accident Insurance for a sum assured of Rs.1,00,00,000/- (Rupees One Crore only)
  - iii) **Club Membership:** Membership fees (not being life-membership fees) plus subscription for two clubs.
  - iv) **Telephone:** Actual telephone & mobile expenses at office and residence for official purposes.
  - v) **Company's car for official use:** Two motor cars with drivers to be used for company's business.
  - vi) **Entertainment Expenses:** Actual expenses incurred for official purposes.
  - vii) **Gratuity:** Gratuity as per rules of the company.

Expenditure on perquisites as mentioned above will be evaluated as per the Income Tax Rules, 1962 and in the absence of any such rule, evaluation will be at actual cost.

- V. **Commission:** Commission in respect of each financial year as may be decided and determined by the Board of Directors of the Company from time to time subject to the conditions that aggregate remuneration paid to Mr. Goenka shall comply the provisions of the Companies Act, 2013.



**VI. Minimum Remuneration:** Subject to the provisions of the Companies Act, 2013, in the event of loss or inadequacy of profits of the Company in any financial year during the term of Mr. Goenka's appointment as Executive Director, he shall be entitled to aforesaid remuneration as minimum remuneration notwithstanding the above remuneration exceeds 5% of net profits of the company or total remuneration of Executive Directors exceeds 10% of the net profits computed under section 198 of the Companies Act, 2013.

**B. Other Terms and conditions:** These would remain unchanged.

The Board recommends the Resolution at Item No. 5 to be passed as special resolution.

Except Mr. Shrivardhan Goenka, being son of Mr. G.P. Goenka, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors/KMPs is, in any way, concerned or interested financially or otherwise in the special resolutions set out at Item no. 5 of the Notice.

#### ITEM NO. 6

The Nomination & Remuneration Committee (NRC) and the Board in their meetings held on 7<sup>th</sup> Aug., 2019 recommended/approved remuneration payable to Mr. Madhukar Mishra, Managing Director w.e.f 1<sup>st</sup> July, 2019 for a period of 3 years. Mr. Mishra's appointment and remuneration was also approved by the shareholders at their 80<sup>th</sup> Annual General Meeting (AGM) of the company held on 19<sup>th</sup> Sept., 2019.

The aforesaid remuneration was also approved by the shareholders as the minimum agreed remuneration payable to Mr. Mishra during the currency of his tenure (1<sup>st</sup> July 2019 to 30<sup>th</sup> June, 2022) irrespective of no profits/inadequate profits of the company vide the said 80<sup>th</sup> AGM.

Approval of the members is now sought by way of special resolution for payment of aforesaid remuneration including performance pay for each financial year as may be decided by the Board notwithstanding the total remuneration payable to Mr. Madhukar Mishra, Managing Director exceeds the limits prescribed u/s 197, 198 and/or Schedule-V of the Companies Act, 2013 during his current term from 1<sup>st</sup> July, 2019 to 30<sup>th</sup> June, 2022.

The resolution set out in Item No. 6 of the accompanying 81<sup>st</sup> AGM notice is intended to obtain the consent of members through special resolution in respect of payment of remuneration to Mr. Madhukar Mishra, Managing Director of the company for his current term (1<sup>st</sup> July, 2019 - 30<sup>th</sup> June, 2022) notwithstanding that the remuneration may exceed the limits prescribed u/s Sections 197, 198 and/or Schedule-V of the Companies Act, 2013 in any financial year during the aforesaid tenure in case of no profits/inadequate profits.

The relevant statement as required under Schedule-V of the Companies Act, 2013 is given elsewhere in the Notice.

The Board recommends the Resolution at Item No. 6 to be passed as special resolution.

Except Mr. Mishra and his relatives, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors/KMPs is, in any way, concerned or interested financially or otherwise in the special resolutions set out at Item no. 6 of the Notice.

#### ITEM NO. 7

The Board, on the recommendation of the Audit & Risk Management Committee, has approved the appointment M/s K.B. Saxena & Associates, Cost Accountants as cost auditors at a remuneration of Rs.0.50 lacs plus applicable taxes and out-of-pocket expenses to conduct the audit of the cost records of the company for the financial year 2020-21.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit & Risk Management Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to M/s K.B. Saxena & Associates, Cost Accountants as Cost Auditors for the financial year 2020-21.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors/KMPs are, in any way, concerned or interested, in the resolution set out at Item No. 7 of the Notice.

## STATEMENT OF PARTICULARS (PURSUANT TO SCHEDULE-V OF THE COMPANIES ACT, 2013)

Sr.	Particulars	Information																				
I.	General Information																					
1	Nature of Industry	The company manufactures industrial and cultural paper of different varieties.																				
2	Date of commencement of commercial production	The company started commercial production in 1938.																				
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A																				
4	Financial performance based on given indicators	<div>The financial results for the last three years are as under:</div> <table><tr><td></td><td></td><td></td><td>(Cr.)</td></tr><tr><td>Particulars</td><td>Total Income</td><td>Profit before Tax</td><td>Profit after Tax</td></tr><tr><td>FY 2019-20</td><td>347.03</td><td>49.15</td><td>37.27</td></tr><tr><td>FY 2018-19</td><td>385.03</td><td>51.53</td><td>53.19</td></tr><tr><td>FY 2017-18</td><td>356.32</td><td>72.20</td><td>54.26</td></tr></table>				(Cr.)	Particulars	Total Income	Profit before Tax	Profit after Tax	FY 2019-20	347.03	49.15	37.27	FY 2018-19	385.03	51.53	53.19	FY 2017-18	356.32	72.20	54.26
			(Cr.)																			
Particulars	Total Income	Profit before Tax	Profit after Tax																			
FY 2019-20	347.03	49.15	37.27																			
FY 2018-19	385.03	51.53	53.19																			
FY 2017-18	356.32	72.20	54.26																			
5	Export performance	FOB value exports Rs. 182.08 lacs: FY 2019-20.																				
6	Foreign Investments or collaboration, if any.	None																				
II.	Information about the Managerial Personnel	Mr. Madhukar Mishra (DIN: 00096811)																				
1	Background Details	Mr. Madhukar Mishra, aged 63 years, is a graduate in Science besides having DMS (Management). He has experience of over 40 years in Management, Corporate planning & strategy, M&A, Administration and Marketing.																				
2	Past Remuneration	Basic Salary Rs. 3.70 lacs per month+ Special Allowance Rs. 3.25 lac per month + House Maintenance Allowance Rs .020 lacs per month+ Performance pay Rs. 36 lacs per annum + Perquisites and benefits as per Rules of the company																				
3	Recognition or awards	Mr. Mishra has been President of Indian Paper Manufacturers' Association, New Delhi. He has also been associated with various educational institutions in various capacity including IIT, Roorkee Saharanpur Campus.																				
4	Job profile and his suitability	Mr. Mishra is occupying the position of Managing Director of the company since 2001. He takes care of overall management of the company. Under his leadership, the company has been doing reasonably well.																				
5	Remuneration Proposed	Salary, Allowances, Perquisites and other terms as approved by the shareholders in last AGM held on 19 <sup>th</sup> Sept., 2019																				
6	Comparative remuneration profile with respect to Industry	Around Rs. 25 lacs per month																				
7	Pecuniary relationship	No pecuniary relationship with the company other than the salary drawn.																				
III.	Other information																					
1	Reason of loss or inadequate profits	The company has been earning sufficient profits in the recent past. However considering current business environment and contingencies, the performance of the company may be impacted in the coming period.																				
2	Steps taken or proposed to be taken	Some of the projects to reduce input costs are in pipeline.																				
3	Expected increase in the productivity or profits in the measurable terms	The proposed projects when implemented shall bring substantial reduction in cost of production.																				

### Additional information in respect of Director seeking re-appointment at the AGM

Name	Date of Birth	Date of Appointment	Qualifications	Expertise in specific functional area	Directorship in other listed companies	Chairmanship / Membership of committees* of other listed companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Shares held in Start Paper Mills Ltd.
Mr. Shrivardhan Goenka (DIN:00030375)	9 <sup>th</sup> Aug., 1975	9 <sup>th</sup> Sept., 2002	B.Com. MBA (USA)	General Business Management	Nil	Nil	45,500