

Annual Report 2021-22

STAR PAPER MILLS LIMITED




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FORWARD LOOKING STATEMENT

Statement in this report that describes the Company's objectives, projections, estimates, expectations or predictions of the future may be 'forward looking statement' within the meaning of the applicable securities laws and regulations. The Company cautions that such statements involve risks and uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause difference include but are not limited to raw material cost or availability, demand and pricing in the Company's markets, changes in government regulations, economic developments within the countries in which the Company conduct business and other factors relating to the Company's operations, such as litigations, labour negotiations and fiscal regimes.



CORPORATE INFORMATION

Mr. G.P. Goenka

Chairman Emeritus

BOARD OF DIRECTORS -

1. **Mr. Shiromani Sharma**
Chairman/Independent Director
2. **Mr. Shrivardhan Goenka**
Non-independent Director
3. **Mr. C.M. Vasudev**
Independent Director
4. **Mr. Madhukar Mishra**
Managing Director
5. **Mr. Sunil Srivastav**
Independent Director
6. **Mrs. Pragya Jhunjhunwala**
Non-Independent Director

STATUTORY AUDITORS -

M/s Jain Pramod Jain & Co.
Chartered Accountants, New Delhi

COST AUDITORS -

M/s K.B. Saxena & Associates
Cost Accountants, Lucknow

SECRETARIAL AUDITOR -

M/s D. Dutt & Co., Company Secretaries, Kolkata

Mr. Sandeep Rastogi

Chief Financial Officer
(upto 30th Oct., 2021)

Mr. Sanjeev K. Garg

Chief Financial Officer
(w.e.f 27th May, 2022)

Mr. Saurabh Arora

Company Secretary

BANKERS -

Bank of Baroda
Punjab National Bank

MILL

Saharanpur - 247001 (Uttar Pradesh)
Ph.: (0132) 2714101-05

REGISTERED OFFICE

'Duncan House', 2nd Floor,
31, Netaji Subhas Road, Kolkata - 700 001
CIN : L21011WB1936PLC008726
Ph. : 033-22427380-83
e-mail : star.cal@starpapers.com
website : www.starpapers.com

REGISTRAR & SHARE TRANSFER AGENT-

KFin Technologies Limited.
6th Floor, Karvy Selenium Tower-B, Plot No. 31 & 32,
Gachibowli. Nanakramguda, Seri Lingampally,
Hyderabad - 500 032, (Telangana)
Ph.: 040- 6716 1585
Toll Free: 1800-309-4001
e-mail : einward.ris@kfintech.com



MANAGEMENT DISCUSSION & ANALYSIS REPORT

FY 2021-22

GLOBAL ECONOMY

The Global economy has been severely impacted due to occurrence of unprecedented COVID-19 pandemic in the recent past. At beginning of the financial year, new Omicron COVID-19 variant spread forced the Countries to reimpose various measures restricting economic activity. After the opening-up, rising energy prices and supply disruptions have resulted in higher and persistent inflation, notably in the United States and many emerging market and developing economies. Other global events also exacerbated the situation as geopolitical tensions emerged between Russia and Ukraine during later part of the year. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest. Most Central Banks are expected to tighten money supply to battle inflation which will lead to higher Interest cost and lower growth.

INDIAN ECONOMY & PAPER INDUSTRY

Indian Economy has proven its resilience and emerged from Covid waves but now faces headwinds from higher commodity prices, elevated crude prices and Global supply chain disruptions. RBI marked down its growth estimate for 2022-23 from 7.8 % to 7.2%. The current account deficit is expected to be higher due to higher outgo on oil imports.

However, record GST collection and substantial rise in direct tax collection in 2021-22 helped.

Paper Industry which was one of the worst hit in the wake of the COVID-19 pandemic, has been witnessing signs of revival. There has been good demand particularly for Cultural grades after third wave in the wake of re-opening of Educational Institutes.

Strengths:

Government's thrust for improving education and literacy in the country, one of the fastest growing Economies in the world provide a strong foundation for growth prospects of Paper Industry. Focus on Recyclable materials, E-commerce etc. further enhance the future outlook.

Weaknesses:

Higher input costs, expensive energy, relatively small scale, scarcity of raw materials at competitive prices and capital intensive nature of the industry coupled with higher interest rates in India are some of its weaknesses.

Opportunities:

Lower per capita consumption of paper in India, growth of the organised retail and E-commerce, rising outside home consumption are some of the factors providing huge potential for the Industry. FTA with UAE should further enhance Industry's export prospects.

Threats:

Our country is not cost competitive in Capital related charges, fiber and energy prices, the main factors of production. In addition, once logistics normalise, countries like Indonesia with very competitive input prices can export into India at zero duty under free trade agreements (FTA), thus exposing domestic Industry to unfair competition.

SOCIAL FARM FORESTRY

The Company's social farm forestry program has become driver for re-generation of green cover. The program is of immense importance to rural economy and facilitate sustained availability of raw material to the company. During the year, the company further stepped-up propagation and distribution of plants and the area coverage with the help of farming community. Your company enabled plantations of approx 399 lacs seedlings during FY 2021-22. Moreover, an area of 25,890 Hectares were added under the plantations making a total area coverage of 1,91,019 Hectares.

RISKS & CONCERN

Whether there will be more waves of COVID continues to occupy everyone's mind and occurrence of such waves could be a risk factor going forward. Further, geopolitical tensions in Europe and Asia are also cause for concern.

These and other factors could impact future performance in ways difficult to foresee with any degree of certainty at this point in time.

INTERNAL CONTROL SYSTEM

Your company periodically reviews Internal control systems and procedures to ensure conduct of business effectively and efficiently. Internal control system ensures:

- a) Accurate recording of transactions with internal checks and prompt reporting.
- b) Adherence to applicable accounting standards.
- c) Periodic review to effectively manage working capital.
- d) Review of capital investments and long term business plans.
- e) Compliance with applicable statutes, policies and listing regulations.
- f) Effective use of resources and safety of assets.

FINANCIAL PERFORMANCE

Financial and operational performance of your company for the financial year 2021-22 remained satisfactory amid various challenges & constraints.

KEY FINANCIAL RATIOS

The changes in key financial ratios as compared to previous financial year are as under:

Particulars	2021-22	2020-21
Operating Profits Margin (%)	13.6	11.0
Net Profits Margin (%) (Increase in net profits more than proportionate increase in sales for FY 2021-22 resulted in increase in ratio)	11.0	8.0
Debtors Turnover ratio (No. of times)	54	70
Stock Turnover ratio (No. of times) (Increase in sales for FY 2021-22 vis-a-vis previous year resulted in increase in ratio)	4.28	2.95
Debt-Equity ratio (%) [No debt]	NA	NA
Current ratio (No. of times)	4.27	3.43
Interest-Service Coverage Ratio	NA	NA
Return on Networth (%) (Increase in earnings before interest & tax for FY 2021-22 vis-a-vis previous year resulted in increase in ratio)	7.7%	4.4%

HUMAN RESOURCES

Your company considers the manpower as its invaluable asset. Skill development and induction of fresh talent are key elements of your company's Human Resource improvement activity. Industrial relations remained cordial throughout the year under review. There are 371 employees on the company's roll.

FUTURE OUTLOOK

Normalisation of economic activity post-COVID waves augurs well for Industries including Pulp and Paper.

Paper industry in India is expected to grow in line with rest of the economy. Paper products are used in education, health-care, food, trade, communication, E-commerce, packaging etc. Reduction in use of non-recyclable materials may open up further opportunities for Paper Industry. At the same time there are immense challenges in the form of higher input costs, scarcity of Coal, Supply chain disruptions etc.

FORWARD LOOKING STATEMENTS

This Report contains forward looking statements based upon the information available with the company, assumptions with regard to global economic conditions, Government policies etc. The company do not guarantee accuracy of the assumptions and perceived performance of the company in future. It is thus cautioned that the actual results may materially differ from those expressed or implied in the report.



DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors of your company is pleased to present the Directors' Report together with Audited Financial Results of the company for the financial year ended 31st March 2022.

1. FINANCIAL HIGHLIGHTS

Audited financial results for the year ended 31st March, 2022 are summarised below:

AUDITED FINANCIAL RESULTS

Particulars	(Rs. in Crores)	
	FY ended 31 st March, 2022	FY ended 31 st March, 2021
Profit before interest and depreciation	50.02	30.69
Interest and finance charges	0.47	0.58
Depreciation	5.36	5.23
Profit before Exceptional Items	44.19	24.88
Exceptional & non-recurring items	-	-
Profit before tax	44.19	24.88
Provision for Income Tax	7.55	7.37
Profit after tax (PAT)	36.64	17.51
Earning per share (EPS)- in Rupees	23.48	11.22

2. DIVIDEND & TRANSFER TO RESERVES

Considering the financial performance of the company for the year ended 31st March, 2022 and the present challenging environment, the Board of Directors is pleased to recommend a dividend of Rs. 3.50/- per equity share (35%) subject to approval of the Shareholders at the ensuing Annual General Meeting. The company has not transferred any amount of profits for the year to General Reserve.

3. STATE OF THE COMPANY AFFAIRS

Review of performance for the year 2021-22:

Financial year 2021-22 was affected by second wave of COVID-19 pandemic in India. There was disruption to regular business operations and supply-chain due to Govt. restrictions, though limited, during the first quarter of FY 2021-22. However, intensity of the pandemic gradually subsided thereafter.

Production and sales got impacted during earlier part of the year due to subdued market conditions. Further, production had to be kept suspended following collapse of a part of roof of one of plant buildings during a rainstorm and consequent damage to some equipments. After demoliishing parts rendered unsafe by collapse, clearing debris and effecting necessary exigent repairs pending complete restoration and taking other safety related measures, production was expeditiously resumed. An Insurance claim has been filed which is under process by the Insurer.

There was a steady pick up in demand particularly for Cultural grades in the wake of Post COVID opening up but there was a lull again in December-January during the 3rd wave. Demand however accelerated thereafter once Educational Institutes were opened.

There has been steep hike in cost of inputs due to disruptions in Global Supply chains. Price of Wood also is trending up.

As a result of various steps taken in the face of these challenges, your company reported a Profit after tax (PAT) of Rs. 36.64 Crores for the year 2021-22 as against Rs. 17.51 Crores for FY 2020-21.

Being eligible, your company has opted for 22% tax rate under alternative new tax regime for FY 2021-22.

There have been no material changes and/or commitments affecting the financial position of the company since the close of financial year till date of this report. Further, there is no change in nature of business of the company during the year under review.

Expectations for the year 2022-23:

All economic activities have almost resumed to normalcy in India post facing of three waves of the Pandemic. Government has too allowed re-opening of schools, colleges, offices and other spaces with precautionary measures. These are positive signs for the Economy and the Paper industry which has suffered in past 2 years.

While complete revival of all the sectors is yet to take place, worse is behind us and we can expect a steady economic growth from now onwards.

However liquidity reduction measures by Central Banks, Geo-political tensions between Russia and Ukraine and resultant sanctions imposed weigh on global growth momentum.

Scarcity/steep inflation in cost of various inputs continues unabated. Energy prices in general and extremely difficult supply situation of Coal in particular are a cause for concern.

4. ANNUAL- RETURN EXTRACTS

Pursuant to Section 134(3)(m) of the Companies Act, 2013, Annual Return in the prescribed format is available at https://starpapers.com/ann_return_2122.pdf

5. BOARD MEETINGS/AUDIT COMMITTEE

- a) During the year ended 31st March, 2022, four (4) meetings of the Board of Directors were held on 25th June, 2021, 13th Aug., 2021, 11th Nov., 2021 and 9th Feb., 2022.
- b) Audit & Risk Management Committee-

The Company has constituted the Audit & Risk Management Committee of the Board pursuant to Section 177 of the Companies Act, 2013 and its terms of reference are in conformity with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The composition of Committee is mentioned in the Corporate Governance Report.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of the Annual Report for 2021-22.

7. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177 of the Companies Act, 2013, the company has established a 'Vigil Mechanism' for directors and employees to report their genuine concerns to the company. The company oversees this 'Vigil Mechanism' through the Audit & Risk Management Committee of the Board.

8. ENVIRONMENT, POLLUTION CONTROL AND SAFETY

The company is committed to provide safe working conditions and healthy environment to its stakeholders. Your company is accredited with ISO 9001:2015, ISO 14001: 2015, and ISO 18001:2007 which signifies adoption of integrated quality, environment and safety management systems to harmonize Industrial activities with environmental preservation with letter and spirit. The company has the required environmental clearances from the Government Departments.

Your company has been awarded during the financial year 2021-22:

- i) Gold/Excellence and Par Excellence Awards in Regional/National and International Quality Circle Conventions respectively.
- ii) Award for outstanding achievement in ensuring Environmental sustainability in 8th CSR Awards by Greentech Foundation, New Delhi.

9. SOCIAL FARM FORESTRY

As in the past, your company continues to foster pulpwood plantations with active co-operation of the farmers. Despite Covid related disruptions, your company could step-up propagation and distribution of clonal plants and the area coverage during the year. Social Farm forestry leads to enhanced rural incomes besides easing pressure on raw material availability.

10. FIXED DEPOSITS

The company has not invited any fixed deposits during the year and as such there has been no default in repayment of deposit or payment of interest thereon during the year. There were no outstanding fixed deposits as on 31st March, 2022. (*Rs. Nil as on 31st March, 2021*).

The company is in compliance with provisions of the Companies Act, 2013 and rules made thereunder in respect of deposits.



11. INTERNAL CONTROLS

Your company has adequate internal control systems in place on the basis of which financial accounting is done and periodically financial statements are prepared. Such Internal control systems are adequate and operating effectively.

There was no instance of any fraud during the year reported by the statutory auditors of the company under section 143(12) of the Companies Act, 2013.

12. REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

The company adopted a policy on Corporate Social Responsibility (CSR) to fulfill its obligation towards the society. The CSR Policy may be accessed on the company's website at <http://www.starpapers.com>. The key philosophy of the Company's CSR initiative is to promote development through social and economic transformation. The composition of Committee is mentioned in the Corporate Governance Report.

The Report on CSR activities undertaken during the financial year ended 31st March, 2022 is provided as **Annexure -I**.

13. DIRECTORS/KEY MANAGERIAL PERSONNEL/OTHERS

- i) Pursuant to Section 152 of the Companies Act, 2013, Mrs. Pragya Jhunjhunwala (DIN-02315132) shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommends her appointment.
- ii) Mr. M.P. Pinto has resigned from directorship of the company w.e.f. 7th May, 2021 due to old age/personal reason.
- iii) Mr. Sandeep Rastogi has resigned from the position of CFO of the company w.e.f. 31st Oct., 2021 due to personal reasons.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 178 (6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The company's familiarization program for Independent Directors is posted on the website of the company and can be accessed at http://www.starpapers.com/familiarisation_prog.pdf.

14. NOMINATION AND REMUNERATION COMMITTEE/POLICY

The Board of Directors has constituted a 'Nomination & Remuneration Committee' which follows the company's policy on directors' appointment and remuneration including criteria for determining qualification, positive attitudes, independence of a director and other matters provided under section 178 (3) of the Companies Act, 2013.

The gist of company's policy on nomination and remuneration is as under:

The Committee shall consider ethical standards of integrity, qualification, expertise and experience for appointment of Directors/KMP etc. and recommend to the Board of Directors. Directors/ KMP etc shall be appointed as per the procedure laid down in applicable laws.

The Committee will recommend the remuneration to be paid to Directors/KMP etc requiring Committee approval as per statutory provisions. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate the appointee(s). Nomination and Remuneration Policy of the company can be accessed from the company website -www.starpapers.com.

15. LOAN, GUARANTEE, INVESTMENTS ETC.

The particulars of loan, guarantees or investments have been given in the financial statements.

16. SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

No company has become or ceased to be the company's subsidiary/joint venture/associate company during the year.

17. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars regarding energy conservation, technology absorption and foreign exchange earnings/outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are furnished as **Annexure-II** to this Report.

18. PARTICULARS OF EMPLOYEES AND REMUNERATION

Information in accordance with the provisions of Section 134(3)(q) and Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding employees' remuneration are given hereunder:

- i) Name of the employee who is in receipt of remuneration of Rs. 8.50 lacs per month/ Rs. 102 lacs per annum or more during the financial year 2021-22:

Sr.	Name & Designation	Remuneration* recd.-(lacs)	Nature of employment	Qualification & experience	Date of commencement of employment	Age	Last employment held	% of equity shares held	Whether relative to director
1	Mr. Madhukar Mishra, Managing Director	336.35	Contractual	B. Sc., DMS (Mgt.) 43 years	01/07/2001	65 Y	Sr. VP(Corporate Planning) -Dail Consultants Ltd.	Nil	No

*including employer's provident fund contribution, if any.

a) Ratio of remuneration of each director to the median remuneration of employees

Director	Director remuneration (DR)-Rs.	Median remuneration(MR) of employee -Rs.	Ratio (DR/MR)
Mr. Shrivardhan Goenka	3,00,000	3,36,260	0.89
Mr. Shiromani Sharma	3,30,000	3,36,260	0.98
Mr. C.M. Vasudev	3,00,000	3,36,260	0.89
Mrs. Pragya Jhunjhunwala	90,000	3,36,260	0.27
Mr. Sunil Srivastav	1,50,000	3,36,260	0.45
Mr. Madhukar Mishra	3,36,35,066	3,36,260	100.02

b) % increase in remuneration of each director, CEO, CFO, CS in the financial year 2021-22

Official name	Year 2021-22 Remuneration-Rs. In lacs	% increase in remuneration
Directors	Directors are receiving only sitting fees for attending meetings at a rate of Rs. 30,000/- per Board/Committee meeting.	
Managing Director	336.35	12%
Chief Financial Officer	19.15*	NA
Company Secretary	16.65	25%

*Employed upto 30.10.2021.

- c) % increase in median remuneration of employees in the financial year 2021-22 vis-a-vis the preceding year was 6%.
- d) There were 371 permanent employees on the rolls of the company as on 31.03.2022.
- e) Average increase in remuneration inter-alia depends upon the inflation, individual's performance, company policy, human resource demand-supply position, negotiations with trade unions, company performance etc.
- h) Average percentage increase in salaries of employees vis-a-vis managerial personnel - Average percentage increase in salaries of employees was 6.7% vis-a-vis 12% in salary of managerial personnel for FY 2021-22.
- i) No director is getting any variable component of remuneration except performance pay to the Managing Director are decided by the Board of Directors every year based on performance of the company, terms of appointment and applicable statutory provision. Remuneration is paid as per remuneration policy of the company.

19. PERFORMANCE EVALUATION

The company has a Policy on Nomination & Remuneration and Evaluation of directors etc. The Board of Directors evaluates its own performance, that of Committee(s) and individual director(s) on annual basis in the manner envisaged by the Nomination & Remuneration Committee (NRC) of the Board. Nomination & Remuneration Committee (NRC) also ensures that evaluation process is carried out by the Board every year as per the prescribed method.

20. HUMAN RESOURCES AND WELFARE

Your company has a structured approach to manage its human resources in line with changing needs of the organisation. Industrial relations remained harmonious during the year at all levels.

The company has zero tolerance against any sexual harassment of woman at workplace. During the year under review, there was no case reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no complaint pending at the beginning and closure of the year.



21. DIRECTORS' RESPONSIBILITY STATEMENT

As required under the provisions of Section 134(3)(c) Directors Responsibility Statement on preparation and presentation of these accounts is as per **Annexure-III** to this Report.

22. CORPORATE GOVERNANCE

A separate report on corporate governance, along with a certificate from the statutory auditors confirming the compliance with corporate governance requirements has been annexed as **Annexure-IV** to Directors' Report.

23. AUDITORS

The members at its 78th Annual General Meeting held on 14th Sept., 2017 appointed M/s Jain Pramod Jain & Co., Chartered Accountants, New Delhi as statutory auditors of the company to hold office till the conclusion of 83rd AGM of the company. The Board has recommended the Shareholders to appoint M/s Lodha & Co., Chartered Accountants, Kolkata as statutory auditors of the company in place of the retiring auditors.

24. COST AUDITORS

Pursuant to Section 148(3) of the Companies Act, 2013 read with the Rules made thereunder, the company is required to maintain cost records and accordingly such accounts and records are maintained. The Board of Directors on the recommendation of Audit & Risk Management Committee has appointed M/s K.B. Saxena & Associates, Cost Accountants, as the Cost Auditors of the Company for the financial year 2021-22.

25. AUDITORS' REPORT

i) Statutory Audit:

The observations of the auditor read with relevant notes on the financial statements are self-explanatory.

ii) Secretarial Audit:

M/s D. Dutt & Co., company secretary in practice, secretarial auditor of the company has done secretarial audit for FY 2021-22. Secretarial audit report is attached as **Annexure-V**. The observations of the secretarial auditor in the report are self-explanatory.

26. TRANSACTIONS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the company had not entered into any contract / arrangement / transaction with related parties which could be considered material. Information pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies(Accounts) Rules, 2014 are given in **Annexure-VI** in Form AOC-2 and the same forms part of this report.

27. RISK MANAGEMENT

The Company is having Risk Management framework covering identification, evaluation and control measures to mitigate the identified business risks.

28. LISTING ON STOCK EXCHANGES

Your company's equity shares are listed on National Stock Exchange of India Ltd. (NSE) and The Stock Exchange, Mumbai (BSE). The company has paid the listing fees to the stock exchanges for the financial year 2021-22.

29. ACKNOWLEDGEMENT

The Board of Directors place on record their gratitude for exemplary support and contribution of all the Stakeholders viz., employees, bankers, investors, dealers, suppliers and Government Departments in the current challenging times.

For and on behalf of the Board

Place : New Delhi

Date : 27th May, 2022

Shiromani Sharma
Chairman

ANNEXURE -I**TO DIRECTORS' REPORT****Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2021-22**

1. A brief outline of the Company's CSR Policy Please refer to Section Corporate Social Responsibility
2. Composition of CSR Committee- As provided in Corporate Governance Report
3. Provide the web-link where composition of CSR Committee
CSR Policy, CSR projects approved by the board are disclosed on
web-site of the company- <https://starpapers.com/spm.asp?page=fs>
4. Provide the details of impact assessment of CSR Projects carried out
in pursuance to Rule 8(3) of the Companies (CSR Policy) Rules, 2014
(if applicable)- N.A
5. Details of amount available for set-off in pursuance of Rule 7(3)
of the Companies (CSR Policy) Rules, 2014 and amount required for
set-off for the financial year, if any- Rs. 15.42 lacs
6. Average net profit of the Company as per section 135(5)- Rs. 3749.14 lacs
7. (a). Two percent of average net profit of the company as per section 135(5)- Rs. 74.98 lacs
(b). Surplus arising out of the CSR projects or programmes or activities
of the previous financial year- NIL
(c). Amount required to be set-off for the financial year, if any- Rs. 15.42
(d). Total CSR obligation for the financial year (7a+7b-7c)- Rs. 59.56 lacs
8. (a). CSR amount spent or unspent for the financial year:

Total amount spent for the FY 2021-22	Amount unspent (Rs. in Lacs)				
Rs. 93.04	Total amount transferred to unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Sch.-VII as per second proviso to section 135(6)		
	Amount	Date of transfer	Name of fund	Amount	Date of transfer
	NIL	N.A	N.A	NIL	N.A

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

- (c). Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6	7	8
Sr.	Name of the projects	Item from the list of activities in Sch.-VII to the Act	Local area (Yes/No)	Location of the project -Distt & State	Amount spent for the projects	Mode of implementation -Direct (Yes/No)	Mode of implementation through implementing Agency-Name and CSR Registration number

Rs. in Lacs

1	Measures undertaken to reduce hunger/poverty during tough time of COVID-19, Promoted healthcare including preventive healthcare through various camps and awareness programmes, Installation of handpumps, water coolers for safe drinking water.	Eradicating hunger, poverty, malnutrition, promoting health care and sanitation including contribution to swachh bharat kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Saharanpur (UP)	19.64	Yes	N.A
2	Organised various camps for employment enhancing vocational skill specially for women, and time to time encouragement to students to further excel in studies.	Promoting education, including special education and employment enhancing vocational skill specially among children, women, elderly and differently abled and livelihood enhancement projects.	-do-	-do-	34.50	-do-	N.A
3	Promoting gender equality, woman empowerment and care for senior citizen, children and economically backward people through public awareness.	Promoting gender equality, empowering woman, setting up homes and hostels for woman and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	-do-	-do-	6.36	-do-	N.A
4	Installation of Solar LED street lights, promoting social farm forestry, development and cleaning of ponds etc.	Ensuring environmental sustainability/ ecological balance , protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water etc.	-do-	-do-	31.05	-do-	N.A
5	Administration/supervision expenses on CSR Activities	-	-do-	N.A	1.49	N.A	N.A

(d)	Amount spent in Administrative Overheads	Rs. 1.49 lacs
(e)	Amount spent on impact assessment, if applicable	N/A
(f)	Total amount spent for the financial year (8b+8c+8d+8e)	Rs. 93.04 Lacs
(g)	Excess amount for set-off, if any	Rs. 33.48 Lacs

Sl. No.	Particulars	Amount-Rs. In Lacs
(i)	Two percent of average net profit of the company as per section 135(5)	74.98
(ii)	Total amount spent for the financial year	93.04
(iii)	Excess amount spent for the financial year 21.22 [(ii)-(i)]	18.06
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any.	NIL
(v)	Amount available for set-off in succeeding financial years of 21-22 [(iii)-(iv)]	18.06
(vi)	Total amount available for set-off in succeeding years -8(g)	33.48

9	a) Details of Unspent CSR Amount for the preceding 3 financial years.	-	NIL
	(b) Details of CSR Amount spent in the financial year for ongoing projects of the preceding financial year (s)	-	NIL
10.	In case of creation or acquisition of capital asset, furnish the details relating to the assets so created or acquired through CSR spent in the financial year	-	N.A
11.	Specify the reason(s), if the company failed to spend two percent of the average net profits as per section 135 (5)	-	N.A

Madhukar Mishra
Managing Director
27th May, 2022

Shrivardhan Goenka
Chairman, CSR Committee

ANNEXURE-II

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as under:

A. PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

I. The company has taken following measures for conservation of energy:

- a) Installation of Micro Travel H.P. Showers in Paper Machine.
- b) Installation of bigger Blow Valve for Digester No. 4.
- c) New 500 Ton/day capacity Cation unit in D.M. Plant.
- d) Increased the fresh water line from 4" to 6" in D.M. Plant.
- e) Coating, grinding & polishing of PM-IV M.G. Cylinder.
- f) Installation of VFDs at 5 locations.
- g) Commissioning of APFC panels.
- h) Replacement of PM-II Pre-dryer & Post-Dryer batteries.

II. Additional investments and proposals being implemented for reduction in consumption of energy:

-Upgradation of Back Pressure turbine from 5.0 MW to 6.6 MW.

III. The above projects given in I. above involved a cost of approximately Rs. 231.42 lacs. Impacts of aforesaid measures are as under:

-System improvement with reduction in energy consumption and thus energy costs

IV. Steps taken for utilizing alternate sources of energy:

-Modification in fuel feeding system to enhance the Agro fuel firing in AFBC Boiler

B. TECHNOLOGY ABSORPTION:

I. RESEARCH AND DEVELOPMENT (R&D)

Department of Science and Industrial Research (DSIR), Ministry of Science and Technology, Government of India recognizes our in-house Research & Development (R&D) Department. Your company has undertaken the following R & D activities during the FY 2021-22:

1. The major areas in which the company carried in-house R&D projects are as under:

- a) Development of high Strength Paper for packaging & carry Bag.
- b) Development of new varieties of paper such as Honeycomb & Cup stock.
- c) Development of new shades for color paper.

2. Benefits derived as a result of above R&D projects

- a) Improved market share in special grades & high strength paper.
- b) Improvement in the quality of existing products and cost reduction.

3. Future Plan of Action

- a) Development of new grades of paper.
- b) Optimization of water and energy consumption.

4. Expenditure on R&D-	Rs. in lacs
a) Capital	Nil
b) Revenue	95.63
c) Total	95.63
d) R&D Expenditure as a percentage of total Turnover	0.27%

II. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

Efforts made, in brief, towards Technology absorption are as under :

During the year, there was no instance of major technology absorption.

III. INFORMATION RELATED TO IMPORTED TECHNOLOGY:

(a) Technology imported	Nil
(b) Year of import & country	Nil
(c) Has technology been fully absorbed?	N.A
(d) If not fully absorbed, areas where it has not taken place, reasons there for and future plans of action.	N.A

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings	-	Rs. 301.01 Lacs
Outgo	-	Rs. 770.24 Lacs

For and on behalf of the Board

Place : New Delhi
Date : 27th May, 2022

Shiromani Sharma
Chairman

ANNEXURE-III**DIRECTORS' RESPONSIBILITY STATEMENT**

As required under the provisions of Section 134(5) of the Companies Act, 2013 the Board wishes to confirm for the financial year ended 31st March, 2022 that:

- (a) In preparation of accounts, applicable accounting standards have been followed .
- (b) Such accounting policies as were reasonable and prudent were selected in preparing the accounts and these were applied consistently. Further judgements and estimates that were reasonable and prudent were also made in the course of preparing the accounts so as to give a true and fair view of the Company's state of the affairs as at the end of the financial year and its profit for financial year ended 31st March, 2022.
- (c) Proper and sufficient care was taken for the maintenance of proper accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- (d) The accounts have been prepared on going concern basis.
- (e) The directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively.
- (f) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and with laid down internal financial controls to be followed by the company and such system are adequate and operating effectively.

For and on behalf of the Board

Place : New Delhi
Date : 27th May, 2022

Shiromani Sharma
Chairman



ANNEXURE-IV

CORPORATE GOVERNANCE REPORT

(Pursuant to SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015)

The Directors of your company are pleased to present the Corporate Governance Report for the financial year ended 31st March, 2022.

I. Company's philosophy on Corporate Governance

The Company's philosophy on corporate governance envisages the attainment of higher level of accountability, transparency and equity in all facets of operations. The company believes that all its actions must serve the underlying goal of enhancing shareholders' value. Your company had been following a fair, transparent and ethical corporate governance practices and will continue to seek excellence through these pillars of good governance.

II. Board of Directors

The primary role of the Board of Directors is that of trusteeship, to protect and enhance shareholders' value through strategic supervision of company's operations. The Board also provides direction and exercises appropriate control to ensure that the company fulfills the stakeholders' aspirations and societal expectations.

(a) Composition

The Board currently comprises of 6 Directors, out of which 5 directors are Non-executive Directors. The Board has a Non-executive Independent Chairman apart from 3 other Independent directors.

The composition of the Board of Directors as on 31st March , 2022 is as under:

Director & DIN	Category of Director	Total no. of Directorships in other Public limited companies (*)	Total No. of Memberships(M)/ Chairmanships ('C) of Committees in other Public limited companies (**)	Name of other listed entities in which the directorship held and category thereof
Non-Executive Directors				
Mr. Shiromani Sharma**** DIN-00014619	Chairman/Independent Director	Nil	Nil	Nil
Mr. Shrivardhan Goenka DIN-00030375	Non-executive; non-independent Director	2	Nil	Nil
Mr. C.M. Vasudev DIN-00143885	Independent Director	3	2 (Member)	Nil
Mr. Sunil Srivastav DIN-0237561	Independent Director	5	2 (Member), 2 (Chairman)	a) SIS Ltd. -Independent director b) CSB Bank Ltd.-Independent director
Mrs. Pragya Jhunjhunwala*** DIN-02315132	Non-executive; non-independent Director	Nil	Nil	Nil
Executive Director				
Mr. Madhukar Mishra DIN-00096112	Managing Director	Nil	Nil	Nil

* excludes Directorships in Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013, memberships of Managing Committees of various Chambers/Bodies and Alternate Directorships.

** represents Memberships / Chairmanships of Audit Committee & Stakeholders' Relationship Committee only.

*** appointed w.e.f 25th June, 2021 as additional director and confirmed as regular director at the last AGM held on 24th Sept., 2021.

There is no relationship between the directors of the company. However, Mr. Shrivardhan Goenka, being son of Mr. G.P. Goenka, Chairman Emeritus of the company is related to him. The company's familiarization program for Independent Directors are posted on the website of the company and can be accessed at http://www.starpapers.com/familiarisation_prog.pdf.

In the opinion of the Board, Independent Directors fulfill the conditions specified under SEBI (LODR) Regulations, 2015 and they are independent of the management.

The Directors' performance evaluation criteria is given in the Directors' Report.

(b) Meetings and Attendance

During the year ended 31st March, 2022, four (4) meetings of the Board of Directors were held on 25th June, 2021, 13th Aug., 2021, 11th Nov., 2021 and 9th Feb., 2022.

Attendance of Directors at Board Meetings and Last Annual General Meeting

Director-Name	No. of Board Meetings attended	Attendance at last Annual General Meeting Yes /No	No. of shares held in the company
Mr. Shiromani Sharma	4	Yes	Nil
Mr. Shrivardhan Goenka	4	Yes	45,500
Mr. C.M. Vasudev	4	Yes	Nil
Mr. Sunil Srivastav	4	Yes	Nil
Mr. Madhukar Mishra	4	Yes	Nil
Mrs. Pragya Jhunjhunwala	3	Yes	Nil

A meeting of Independent Directors were held on 9th Feb., 2022 for the financial year 2021-22. All Independent Directors were present at the meeting.

(c) Skills/expertise/competency identified by the Board of Directors

The Board comprises the qualified members who bring in the required skills and expertise to enable them to effectively contribute at deliberations at Board and Committee meetings. The below matrix summarizes the skill and expertise of Board members in context of company's business:

Skills/expertise/competency identified by the Board in context of company's business	Name of Directors having such skills/expertise/competency available with the Board
Knowledge of paper industry and company's operations	Mr. Madhukar Mishra, Managing Director. He is serving the company as MD since 2001.
Corporate planning and strategy, General Management	-Mr. Madhukar Mishra, Managing Director. -Mr. Shiromani Sharma, Independent Director. He is retired IAS officer. He had worked on many senior positions under the Government of Uttar Pradesh. -Mr. C.M. Vasudev, Independent Director. He is retired IAS officer. He had served on key finance positions under the Central Government. He has served as Chairman of HDFC Bank Ltd. -Mr. Shrivardhan Goenka, a Non-executive Director, is B.com, and MBA from Kelloggs School of Management, USA. He is on the Board of the company since 2002.
Operational & Financial Management.	-Mr. Madhukar Mishra, Managing Director. -Mr. Sunil Srivastav, Independent Director. He had worked on the position of Dy. Managing Director-corporate accounts, SBI.
Corporate Governance	-Mr. Shiromani Sharma, Independent Director. -Mr. C.M. Vasudev, Independent Director. -Mr. Shrivardhan Goenka, Non-executive Director. -Mr. Madhukar Mishra, Managing Director. -Mrs. Pragya Jhunjhunwala, Non-executive Director. She is M.Com and a fellow member of ICSI. She is also a start-up consultant and associated with many NGOs.

III. Code of Conduct

A code of Conduct for all its Board members and senior management personnel for avoidance of conflict of interest has been laid down and is available on the company's website. Necessary declarations affirming compliance have been received for the financial year ended on 31st March, 2022. There were no material personal interest/personal benefits received by the Board members/senior management personnel, which could lead to potential conflict of interest with the Company as a result of their position.



IV. Committees of the Board

The Board of Directors has the following Committees for better and more focused attention to the affairs of the Company before placing the same before the Board –i) Audit & Risk Management Committee; ii) Stakeholders' Relationship Committee; iii) Nomination and Remuneration Committee (NRC); iv) Corporate Social Responsibility (CSR) Committee.

(a) Audit & Risk Management Committee

There is 'Audit & Risk Management Committee' of the Board and its role and terms of reference are in conformity with Section 177 of the Companies Act, 2013 and SEBI Listing Regulations, 2015 as amended. Statutory auditors, Internal auditors and the Cost auditors are invited from time to time to the Committee meetings. Besides, the Committee assists the Board in overseeing and approving the company's risk management framework. The company secretary acts as the secretary to the Committee.

Composition

The composition of the Committee and details of its meetings during the FY 2021-22 are as under :

Sl. No	Name of the Director & Designation	Category	No. of meetings attended during FY 2021-22
1	Mr. Shiromani Sharma- Chairman	Non- executive, Independent	4
2	Mr. C.M Vasudev-Member	Non- executive, Independent	4
3	Mr. Shrivardhan Goenka-Member	Non- executive, non-Independent	4

During the financial year ended 31st March, 2022, four (4) Committee meetings were held on 25th June, 2021, 13th Aug., 2021, 11th Nov., 2021 and 9th Feb., 2022.

(b) Stakeholders' Relationship Committee

Pursuant to Section 178 of the Companies Act, 2013 and SEBI Listing Regulations, 2015 as amended, the Stakeholders' Relationship Committee redresses shareholder/ investor grievances like non-receipt of Annual Report, dividend etc., approves transfer/ transmission/ sub-division/consolidation of shares, issue of duplicate share certificate , de-materialization/re-materialization of shares etc. The company secretary acts as the secretary to the committee.

Composition

The composition of the Committee and details of its meetings during the FY 2021-22 are as under:

Sl. No	Name of the Director & Designation	Category	No. of meetings held/ attended during FY 2021-22
1	Mr. Shiromani Sharma - Chairman	Non- Executive, Independent	1
2	Mr. Madhukar Mishra-Member	Executive	1
3	Mr. Shrivardhan Goenka-Member	Non- Executive, Non-Independent	1

During the financial year ended 31st March, 2022, one meeting of Stakeholders' Relationship Committee was held on 9th Feb., 2022.

Mr. Saurabh Arora, Company Secretary, is the compliance officer of the company.

Shareholders Complaint(s)

During the year, no investor complaint was received. There is no pending complaint at the end of the financial year 2021-22.

(c) Nomination & Remuneration Committee

A Nomination and Remuneration Committee has been constituted to discharge functions envisaged under section 178 of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015

Composition

The composition of Nomination & Remuneration Committee and details of its meeting(s) held during the FY 2021-22 are as under:

S No	Name of the Director & Designation	Category	No. of meetings held/attended during FY 2021-22
1	Mr. C.M. Vasudev- Chairman	Non- Executive, Independent	1
2	Mr. Shiromani Sharma - Member	-do-	1
3	Mr. M.P. Pinto-Member*	-do-	NA
4	Mr. Shrivardhan Goenka**	Non- Executive, Non-independent	NA

* upto 6th May, 2021.

** appointed as member of the Committee w.e.f. 25th June, 2021

During the financial year ended 31st March, 2022, one meeting of Nomination and Remuneration Committee was held on 24th June, 2021.

(d) Corporate Social Responsibility (CSR) Committee

Your company is committed to its social responsibilities. Under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the company has constituted Corporate Social Responsibility (CSR) Committee. The composition of the Committee is as under:

Sl. No	Name of the Director & Designation	Category	No. of meetings held/attended during FY 2021-22
1	Mr. Shrivardhan Goenka-Chairman	Non- Executive, Non Independent	1
2	Mr. M.P. Pinto-Member*	Non- Executive, Independent	NA
3	Mr. Madhukar Mishra-Member	Executive	1

* upto 6th May, 2021.

During the financial year ended 31st March, 2022, one meeting of CSR Committee was held on 24th June, 2021.

V. Remuneration of Directors

Remuneration-package of Executive Director(s) is determined and recommended by the Nomination & Remuneration Committee and approved by the Board of Directors and the Shareholders. Remuneration of Non-Executive Directors is restricted to sitting fees for attending meetings of the Board and sub-committees of the Board.

The details of remuneration of the directors for the financial year ended 31st March, 2022 are as under:

(Rs.)

Director	Salary#	Perquisites and other benefits ##	Sitting Fees	Total
Mr. Shiromani Sharma	-	-	3,30,000	3,30,000
Mr. Shrivardhan Goenka	-	-	3,00,000	3,00,000
Mr. C.M. Vasudev	-	-	3,00,000	3,00,000
Mrs Pragya Jhunjhunwala	-	-	90,000	90,000
Mr. Sunil Srivastav	-	-	1,50,000	1,50,000
Mr. Madhukar Mishra	2,89,68,000	45,68,066	-	3,35,36,066
Total			11,70,000	3,47,06,066

Salary includes allowances, performance pay and commission on net profits, if any. Performance pay and/or commission is/are decided by the Board based on yearly performance review.

Perquisites and other benefits include company's contribution to Provident Fund but exclude contribution to Gratuity Fund.

None of the directors except Mr. Shrivardhan Goenka (45,500 equity shares) holds any shares in the company. Except above, no non-executive director had any pecuniary relationship or transactions with the company.

Service contracts, severance fees, notice period, stock option etc.

The appointment of Executive Director(s) is governed by resolutions passed by the Nominations & Remuneration Committee, the Board of Directors and the Shareholders of the company which covers the terms and conditions of such appointment.

There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors. Statutory provisions however will apply in case of severance of service. The appointments are terminable by six months' notice from either side.

The company has not given any stock option scheme to the directors/employees.



VI. The company has no subsidiary or holding company.

VII. Disclosures

(i) There were no material significant related party transactions which may have potential conflict with the interest of the company at large. All related party transactions during the year under reference were in the ordinary course of business and on arm's length basis. The policy on dealing with related party transactions can be accessed at <http://starpapers.com/policyparty.pdf> & policy on material subsidiary can be accessed at <http://starpapers.com/Policymaterial.pdf>.

(ii) The Board periodically reviews risk management policy of the company. We are in compliance with applicable corporate governance requirements as given in Reg. 17 to 27 and Reg. 46(2) of SEBI (LODR), Regulations, 2015 except appointment of woman director on the Board from 1st April, -24th June, 2021 for which a fine of Rs. 4.25 lacs plus GST has been imposed by both National Stock Exchange (NSE) and the BSE Ltd separately. NSE turned-down the company's fine waiver request and consequently fine has been paid to NSE. The fine-waiver request with BSE is pending as on date. The company has appointed a woman director on the Board w.e.f 25th June, 2021.

Apart from above, SEBI has imposed a fine of Rs. 3 lacs collectively on 8 Promoter-Group companies of ISG Traders Ltd. including STAR vide order dated 24th Jan., 2022 even though largest Promoter shareholder had filed the required disclosure regularly in respect of all 'Promoter Group Companies' under SEBI Takeover Regulations.

(iii) The company has established a 'Vigil Mechanism' for directors and employees to report their genuine concerns. The company oversees this 'Vigil Mechanism' through the Audit & Risk Management Committee of the Board and no one has been denied access to the Audit Committee. There were no pecuniary relationships or transactions with non-executive directors. The Management Discussion and Analysis Report forms part of the Annual Report.

(iv) Fees to statutory auditors etc.

Total fees for all services rendered by the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.- Rs. 11.52 lacs.

(v) Outstanding GDR/ADR/Warrants/any convertible instruments, conversion date and likely impact on equity- Nil.

(vi) Commodity price risk, foreign exchange risks and hedging activities-

As there was negligible foreign exchange exposure, there was no hedging activities.

(vii) The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO)/Finance Head have given requisite compliance certificate on financial statements and the cash flow statement for the year ended 31st March, 2022.

-Particulars of directors seeking appointment/re-appointment at the AGM have been given in Notice of the 83rd AGM to be held on 21st Sept., 2022.

VIII. Means of communication

The quarterly results of the Company are normally announced within 45 days from the end of each quarter, except for March quarter which are announced within 60 days of the close of the financial year; such results are published in the The Financial Express /Business Standard, and 'Aajkal'. The financial results of the company is provided at the website www.starpapers.com. There is no presentation made to institutional investor or to the analysts. The website of the company also displays other important information.

IX. Shareholder Information

In view of COVID-19 pandemic, Ministry of Corporate Affairs vide its Circular 20/2020 dated 5th May, 2020, Circular 21/2021 dated 14th Dec., 2021 and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIRP/2020/79 dated 12th May, 2020 & Circular No. SEBI/HO/CFD/CMD2/CIRP/2021/11 dated 15th Jan., 2021, inter alia, permitted conduct of Annual General Meeting through VC/OAVM facility. Consequently, 83rd AGM of the company will be held through Video Conferencing/ Other Audio Visual Means (VC/OAVM facility) as per below details:

83rd AGM through VC/OAVM facility

Date & Time	Deemed venue	Book Closure Dates (both days inclusive)	Dividend payment date (if recommended)
21 st Sept., 2022 11.30 AM	Regd. Office : Duncan House, 2 nd Floor, 31 Netaji Subhas Road, Kolkata- 700 001.	15.09.2022 to 21.09.2022	29 th Sept., 2022 onwards

Registrar & Share Transfer Agents:

The Company's Registrar and Share Transfer Agent is Kfin Technologies Limited.

Address for correspondence :

Kfin Technologies Limited.,
 Karvy Selenium Tower B, Plot No 31 & 32,
 Gachibowli, Financial District,
 Nanakramguda, Serilingampally
 Hyderabad – 500 008.
 Phone: 040-67161585
 e-mail:kishore.bv@kfintech.com

The Shareholders holding shares in the electronic form should address their correspondence, except those relating to dividend, to their respective Depository Participants.

Transfer System

The Registrars and Share Transfer Agents process every fortnight requests for approving share transfers. The processing activities with respect to requests received for share transfer are completed within 7-10 days from the date of receipt of request. There were no shares pending for transfer as on 31st March, 2022.

Compliance certificate of the Auditors

-The company has obtained certificate from the statutory auditors certifying compliance of conditions of corporate governance as stipulated under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and the same is annexed. This certificate forms part of the Annual Report for 2021-22 to be sent to stock exchanges.

-A certificate has been received from M/s D. Dutt & Co., practicing company secretaries, that none of the Directors on the Board of the company as on 31st March, 2022 has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI, MCA or any other statutory authority.

-Annual Secretarial Compliance Report pursuant to Reg., 24A of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 has been obtained and filed with stock exchanges.

Dematerialization of Shares and Liquidity

The shares of the Company can be traded in dematerialized form with both NSDL (National Securities Depository Ltd.) and CDSL (Central Depository Services (India) Ltd.)

As on **31st March, 2022**, a total of **1,55,15,214** shares of the Company, which form **99.40%** of the share capital, stand dematerialized. The processing activities with respect to the requests received for de-materialization are completed within 3-5 days from the date of receipt of request.

Under the depository system, the International Securities Identification Number (ISIN) allotted to the company is INE733A01018.

Distribution of Shareholding as on 31st March, 2022

Slab-Shs.	No. of Shareholders		No. of Equity Shares	
	Total	% of shareholders	Total	% to share capital
1-500	23342	92.20	2335565	14.96
501-1000	1092	4.31	884140	5.66
1001-2000	470	1.86	738962	4.73
2001-3000	151	0.60	393413	2.52
3001-4000	60	0.24	218955	1.40
4001-5000	45	0.18	216481	1.39
5001-10000	83	0.33	604170	3.87
10001 and above	74	0.29	10216664	65.46
Total	25317	100.00	15608350	100.00



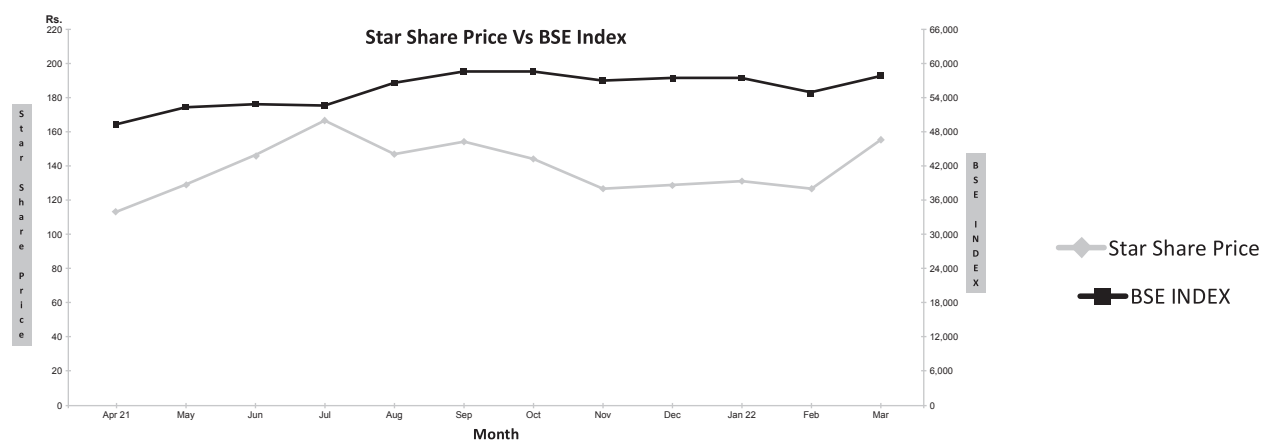
Category of Shareholders as on 31st March, 2022

Category	No. of Shares	% of Shareholding
Promoter Group	7050444	45.17
Financial Institutions/Banks	1591	0.01
Mutual Funds	0	0
Insurance Companies	300	0
Foreign Institutional Investors	20870	0.13
Non Resident Indian (NRI)	81886	0.52
Clearing Member (NSDL & CDSL)	138758	0.89
Public - Bodies Corporate	640854	4.11
- Individuals	7230006	46.32
- HUF	356338	2.29
- Others	87303	0.56
Total	15608350	100.00

Monthly high and low quotations of shares traded on the listed stock exchanges

Month	NSE		BSE	
	High	Low	High	Low
2021				
April	126.30	108.35	133.00	108.15
May	136.75	113.20	136.40	115.60
June	154.30	131.75	154.00	131.00
July	181.70	142.25	181.60	140.40
August	174.45	139.85	174.15	140.00
September	159.80	141.25	160.00	141.35
October	159.20	140.00	159.10	140.10
November	148.50	122.85	148.40	123.80
December	135.90	120.20	135.60	120.00
2022				
January	144.00	126.40	142.30	125.65
February	140.60	115.00	142.95	116.25
March	170.00	119.00	169.80	110.45

Stock price performance : STAR share price performance relative to BSE Index



Listing on stock exchanges

The Company's equity shares are listed with the BSE Limited (Bombay Stock Exchange (BSE), Mumbai) and the National Stock Exchange of India Limited, Mumbai (NSE) under Stock Codes '516022' and 'STARPAPER' respectively. The Company has paid the requisite listing fees to the stock exchanges for the financial year 2021-22.

Registered Office :	Plant location :	Offices at :
Duncan House, 2 nd Floor 31, Netaji Subhash Road Kolkata 700 001	Seth Baldeodas Bajoria Road, Saharanpur 247 001, Uttar Pradesh	2 nd Floor, Express Building, 9-10, B.S.Z Marg, New Delhi- 110 002.

Financial Calendar 2022-23

The next financial year of the Company is 1st April 2022 to 31st March 2023.

The schedule of approving the Financial Results of the Company is given below:-

S. No.	Financial Results	Date for approving the Results (Tentative)
1.	First quarter results	Latest by 14 th August
2.	Second quarter and half yearly results	Latest by 14 th November
3.	Third quarter results	Latest by 14 th February
4.	Fourth quarter & Annual results	Latest by 30 th May

Details of Past Three Annual General Meetings

Year	Venue	Date & Time	Special resolutions passed (Y/N)
2020-21	Through VC/OAVM	24 th Sept., 2021 11.00 AM	Nil.
2019-20	Through VC/OAVM	28 th Sept., 2020 3.00 PM	Yes, i) Approval of payment as per revised terms of remuneration to Mr. G.P. Goenka erstwhile 'Executive Chairman' for the period 1 st Oct., 2019 to 30 th July, 2020. ii) Approval for payment of remuneration to Mr. Madhukar Mishra for his current term from 1 st July, 2019 to 30 th June, 2022.
2018-19	Kala Kunj', 48, Shakespeare Sarani, Kolkata 700 017	19 th Sept., 2019 10.30 A.M	Yes, i) Appointment of Mr. G.P. Goenka (DIN:00030302) as an Executive Director designated as 'Executive Chairman'. ii) Re-appointment of Mr. Madhukar Mishra (DIN:00096112) as Managing Director of the company. iii) Re-appointment of Mr. Shiromani Sharma (DIN:00014619) as an Independent Director. iv) Re-appointment of Mr. Chander Mohan Vasudev (DIN:00143885) as an Independent Director. v) Re-appointment of Mr. Michael Philip Pinto (DIN:00021565) as an Independent Director.

Credit rating

The company has not obtained any credit ratings during the financial year 2021-22 as there is no borrowing.

Sexual Harassment of Women

During the financial year 2021-22, there was no case reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Details are as under:



-Number of complaints filed during the financial year	-	Nil
-Number of complaints disposed-of during the financial year	-	Nil
-Number of complaints pending as on end of the financial year	-	Nil

Postal Ballot

No special resolution requiring a postal ballot was placed before the last Annual General Meeting. Similarly, no special resolution requiring a postal ballot is being proposed at the forthcoming Annual General Meeting.

Declaration of Managing Director under SEBI Listing Regulations, 2015.

I hereby declare that to the best of my knowledge & belief, all the members of the Board and the senior management personnel of the company have affirmed their respective compliance with the code of conduct of the company for the financial year ended 31st March, 2022.

Place: New Delhi
Date: 27th May, 2022

Madhukar Mishra
Managing Director

For and on behalf of the Board

Place : New Delhi
Date : 27th May, 2022

Shiromani Sharma
Chairman

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Star Paper Mills Limited

1. We have examined the compliance of regulations of Corporate Governance by Star Paper Mills Limited ('the Company') for the year ended March 31, 2022 as stipulated in regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors are also responsible for ensuring compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditors' Responsibility

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtain necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our Scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us and considering the relaxations granted by the Ministry Of Corporate Affairs And Securities And Exchange Board Of India warranted due to the spread of COVID-19 pandemic, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing regulations, as applicable for the year ended March 31, 2022 referred to in paragraph 1 above.

Other matters and Restriction on Use

10. This Certificate in 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.
11. The Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other persons or for any other purpose. Accordingly, we do not accept or assume any liability or any duty or care or for any other purpose or to any other party to whom it is shown or into whose hand it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For Jain Pramod Jain & Co.
Chartered Accountants
ICAI Firm Registration No. 016746 N

Place: New Delhi
Date: 27.05.2022

P.K. Jain
Partner
Membership No. 010479



ANNEXURE - V

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Star Paper Mills Limited
Duncan House,
31, Netaji Subhas Road,
Kolkata – 700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Star Paper Mills Limited (hereinafter called 'the Company') having CIN: L21011WB1936PLC008726. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022, *subject to our observations made at Annexure - A below*, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) 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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [not applicable to the Company during the audit period];
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and/or The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and/or The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [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 [not applicable to the Company during the audit period];
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and/or The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 [not applicable to the Company during the audit period]; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [not applicable to the Company during the audit period];
- (v) Other laws applicable specifically to the Company:
 - The Factories Act, 1948 and allied state laws.
 - The Indian Forest Act, 1927
 - The Indian Boiler Act, 1923
 - Indian Explosives Act, 1884
 - The Petroleum Act, 1936

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

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013 with regard to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

- (b) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 [Listing Regulations].

The Foreign Exchange Management Act, 1999 and the rules and regulations made there under related to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not applicable since the Company did not have any Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

Subject to our observations made at Annexure - A below, during the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines etc. mentioned above and has generally adhered to the secretarial standards.

In respect of other laws specifically applicable to the Company we have broadly reviewed the same, without carrying out detailed examination of all the relevant records/documents with a view to determine accuracy and completeness of periodical compliances. During the course of our audit, we have relied on information placed before the Board at its meetings and written representations made by the management in this regard and the reporting is limited to that extent.

We further report that:

- (a) *The Company had no women Director from 01.04.2021 to 24.06.2021. Subject to above*, the Board of Directors of the Company was 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 year under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notices and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting member's views are captured and recorded as part of the Minutes. As recorded in the minutes of the Board and Committee meetings, there has not been any dissent among the directors on any matter dealt with by the Board / Committee during the financial year.

We have been informed that the Company has appropriately responded to notices for show causes, claims, dues, demands, fines, penalties etc. received from various statutory / regulatory authorities under the laws, rules, regulations mentioned above and initiated actions for corrective measures, wherever necessary.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and Chief Financial Officer and taken on record by the Board of Directors at its meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, *subject to our observations made at Annexure - A below*, during the audit period there was no specific event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred above.

Place: Kolkata
Date: 27.05.2022

For **D. DUTT & CO.**
Company Secretaries
UNIQUE CODE NUMBER: I2001WB209400

(DEBABRATA DUTT)
Proprietor
FCS-5401
C.P. No.-3824
UDIN No.: F005401D000511808



This report is to be read with our letter of even date which is annexed as **Annexure – B**.
Annexure - A and B forms integral part of this report.

Annexure – A

Our observations on Secretarial Audit for the financial year ended 31st March, 2022:

- (a) The Company had no woman Director since 31st July, 2020 as per the requirements of second proviso to Section 149(1) of the Companies Act, 2013 read with Regulation 17(1) of the SEBI Listing Regulations. However, based on recommendation of Nomination & Remuneration Committee, the Board of Directors in its meeting held on 25th June, 2021 has appointed a woman director on the Board and the vacancy has been filled in.
- (b) The Company has received respective notices from BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) for non compliance of Regulation 17(1) imposing fine and other consequences for not having woman Director in its Board for the quarters ended December 2020, March 2021 and for the period upto 24.06.2021.
- (c) The Company has:
 - (i) paid requisite fines to BSE (for the quarter ended Dec., 2020) and NSE for the quarters ended Dec., 2020, March 2021 & June, 2021 separately as imposed by them.
 - (ii) filed its detailed written reply to BSE and NSE against their fine imposing letters for waiver of fine.
 - (iii) NSE turned down the company's fine waiver request and consequently fine has been paid to NSE. The fine waiver request with BSE is pending as on date.
- (d) SEBI has imposed a fine of Rs. 3 Lacs collectively on 8 Promoters of ISG Traders Limited including Star Paper Mills Limited vide Adjudication Order [Reference Number ORDER/SBM/KL/2021-22/14767/-14774] dated 24th January, 2022 (received by the Company on 8th February, 2022) even though largest Promoter Shareholder had filed the required disclosure in respect of all Promoter Group Companies. The Company has deposited the fine under protest on 04/03/2022 and in process of filing appeal against the above order before Securities Appellate Tribunal (SAT), Mumbai.
- (e) In view of disqualification u/s 164(2) of one erstwhile director, the remuneration paid/provided to him is recoverable, depending upon the outcome of decision of the competent authority.

Annexure – B

To
The Members,
Star Paper Mills Limited

Our Secretarial Audit Report for the financial year ended 31st March, 2022 of even date is to be read along with this letter.

Management's Responsibility:

- 1. It is the responsibility of the management of the Company to maintain proper secretarial records, devise proper systems to ensure compliance with the provisions of all Corporate and other applicable laws, rules, regulations, standards and also to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

- 2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances based on our audit.
- 3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.
- 4. We believe that the audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide us a basis of our opinion.

Disclaimer:

- 5. We have not verified the correctness and appropriateness of financial records, books of accounts, compliances of applicable direct and indirect tax laws of the company.
- 6. Wherever required, we have obtained the management representation about the compliance of laws, rules, regulations, guidelines, standards and happening of events etc.

7. 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.
8. This Report has been prepared upon receipt / exchange of requisite information / documents through electronic mail and other online verification / examination process of secretarial records as facilitated by the Company.
9. In view of increased safety protocols including restricted entry, staggered office hours, work from home etc. being followed by the Company at its registered office and factory-cum-corporate office to mitigate the impact of resurgence of Covid-19 physical verification of documents were dispensed with.

Place: Kolkata
Date: 27.05.2022

For **D. DUTT & CO.**
Company Secretaries
UNIQUE CODE NUMBER: I2001WB209400

(DEBABRATA DUTT)
Proprietor
FCS-5401
C.P. No.-3824
UDIN No.: F005401D000511808

ANNEXURE - VI

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

- Details of contracts or arrangements or transactions not at arm's length basis: Nil.
- Details of material contracts or arrangement or transactions at arm's length basis: Nil.

For and on behalf of the Board

Place : New Delhi
Date : 27th May, 2022

Shiromani Sharma
Chairman



INDEPENDENT AUDITORS' REPORT

To the Members of STAR PAPER MILLS LIMITED Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of STAR PAPER MILLS LIMITED ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Emphasis of Matters

- (a) Remuneration aggregating to Rs. 724.13 Lacs paid/provided to one erstwhile director is recoverable depending upon the outcome of decision of the competent authority (Note No. 30.5)
- (b) Fair value of investment in ISG Traders Limited has not been evaluated after 31.12.2019 (Note No. 30.4).

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

S.no	Key Audit Matter	Auditor's Response
1	<p>Valuation of Trade Receivable</p> <p>Trade receivables is a significant item in the Company's financial statements as at March 31, 2022 and assumptions used for estimating the credit loss on certain receivables is an area which is determined by management's judgment.</p> <p>The Company makes an assessment of the estimated credit losses on certain trade receivables based on credit risk, project status, past history, latest discussion/ correspondence with the customer.</p> <p>Given the significance of these receivables in the financial statements as at 31st March, 2022, we determined this to be a key audit matter.</p>	<p>Our audit procedure included, among others:</p> <ul style="list-style-type: none"> • Evaluated the accounting policy of the company. • Inquired with senior management regarding status of collectability of the receivable. • Amount recovered subsequent to the Balance Sheet date. • Discussion of material outstanding balances with the audit committee. • Assessed the information/assumptions used by the Management to determine the expected credit losses by considering credit risk of the customer, cash collection, and the level of credit loss over time; <p>Based on our work as stated above, no significant deviations were observed in respect of management's assessment of valuation of trade receivables</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Standalone Report 2021-22. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A"

a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) In our opinion, Managerial remuneration for the year ended 31.03.2022 has been paid /provided by the company to its director in accordance with the provisions of section 197 read with schedule V to the Act
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - v. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - vi. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

vii. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

(b) The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For **Jain Pramod Jain & Co.**
Chartered Accountants
(Firm Registration No. 016746N)

Place: New Delhi
Date: 27.05.2022

(**P.K.Jain**)
Partner
Membership No. 010479
UDIN: 22010479AJTECV6162

Annexure - A

to Independent Auditors' Report of STAR PAPER MILLS LIMITED

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management according to the regular programme of periodical verification which in our opinion is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee & the lease agreements are duly executed in favour of the lessee) disclosed in the financial statement are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) According to the information and explanation provided to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The inventories of the company at all its locations (except stock in transit) have been physically verified by the management at reasonable intervals. In our opinion the procedure and coverage of such physical verification by the management is appropriate. Further no material discrepancies were noticed on such physical verification by the management.

(b) The Company has not been sanctioned working capital limits in excess of Rs. 5 Crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii) (b) of the Order is not applicable.

iii. The Company has not made investments in, provided any guarantee or security or granted any loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties except unsecured loan to employees as per company's established policy during the year, in respect of which:

- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii) (a) of the Order is not applicable.
- (b) In our opinion, the terms and conditions of the grant of loans or advances in the nature of loans during the year are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans and advances in the nature of loan granted by the Company, the schedule of repayment of principal is stipulated and the repayments of principal amounts is regular as per stipulation except in the case of unsecured loan of Rs. 45 Lacs given to Emperor Commercial And Tradco Pvt. Ltd. which is overdue.

- (d) In respect of loans or advances in the nature of loans granted by the Company, there is no overdue amount in respect of loans in excess of ninety days except in the case of unsecured loan of Rs. 45 Lacs given to Emperor Commercial And Tradco Pvt. Ltd. which is overdue against which reasonable steps have been taken by the company for recovery of the principal and interest.
- (e) No loan or advances in the nature of loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii) (f) is not applicable.
- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits within section 73 to 76 of the act and the companies (Acceptance of deposit) Rules, 2014 (as amended). Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima-facie, prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate and complete;
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

(Rs. in lakhs)

Name of Statute	Nature of Dues	Amount involved	Period to which it relates	Forum where matter is pending
Central Goods and Service Tax Act, 2017	Goods and Service Tax	5.98	FY. 2017-18, 2019-20	Commissioner Appeal
Central Goods and Service Tax Act, 2017	Goods and Service Tax	160.88	FY. 2019-20, 2020-21	Joint Commissioner, Corporate office Mfr
Income Tax Act, 1961	Income Tax	107.40	A.Y. 2014-15, 2015-16, 2017-18	CIT Appeal, Faceless
The UP Vat Act, 2008	Sales Tax	20.28	FY 2010-2011 2014-15	Tribunal Saharanpur
The UP Vat Act, 2008	Sales Tax	24.40	2009-2010	Tribunal Saharanpur
The CST Act, 1956	Sales Tax	406.00	1995-1996	Tribunal Saharanpur
The CST Act, 1956	Sales Tax	118.29	2010-2011 2011-2012 2015-2016	Addl. Commissioner (A) Trade Tax CESTAT Allahabad
The Entry Tax Act, 2007	Sales Tax	49.00	Fuel (2008-09 to 2011-12)	High court Allahabad
The Entry Tax Act, 2007	Sales Tax	75.37	Petcoke (2015-16 to 2017-18)	Add Commissioner appeals
The Central Excise Act, 1944	Excise duty	4.84	2009-2010 to 2011-12	CESTAT Allahabad
The ESIC Act, 1948	ESIC	5.00	1998	High Court Allahabad
The ESIC Act, 1948	ESIC	5.00	1998	High Court Allahabad
The ESIC Act, 1948	ESIC	1.40	F.Y. 1993-94 & 1994-95	High Court Allahabad
The ESIC Act, 1948	ESIC	0.17	1998	High Court Allahabad
The Municipal Corporation Taxes -Nagar Nigam Act, 1959	Property Taxes	146.00	2015-16 & 2016-17	JSCC Judge Saharanpur
The Municipal Corporation Taxes -Nagar Nigam Act, 1959	Property Taxes	73.00	2019-20	JSCC Judge Saharanpur
The Krishi utpadan Mandi adhiniyam -1964	Mandi Samiti	272.00	2004-09	High Court Allahabad
The Krishi utpadan Mandi adhiniyam -1964	Mandi Samiti	288.00	2009-16	High Court Allahabad

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
 - a) The Company has not raised any loan /borrowings from banks, financial institution or Government therefore reporting under clause 3(ix) (a) of the Order is not applicable.
 - b) Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or by other lender.
 - c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - d) The Company has not raised any loan /borrowings from banks, financial institution or Government therefore reporting under clause 3(ix) (d) of the Order is not applicable.
 - e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
 - f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary and hence reporting on clause 3(ix) (f) of the Order is not applicable.
- x.
 - a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.
- xi.
 - a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - c) The company has not received any whistle blower complaints hence reporting under clause 3(xi)(c) is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv.
 - (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered the internal audit reports for the year under audit.
- xv. The Company has not entered in to any non-cash transaction with director or persons connected with them.
- xvi.
 - (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
 - (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable for the year.
- (b) No amount remains unspent under sub section (5) of section 135 of the Companies Act, pursuant to any ongoing project.

For **Jain Pramod Jain & Co.**
Chartered Accountants)
(Firm Registration No. 016746 N)

(P.K.Jain)
Partner
Membership No. 010479
UDIN: 22010479AJTECV6162

Place: New Delhi
Date: 27.05.2022

Annexure - B
to the Independent Auditors' report of even date on the Financial Statement of
STAR PAPER MILLS LIMITED.

Report on the Internal Financial Controls under Clause (i) of sub –section 3 of section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **STAR PAPER MILLS LIMITED.** as at March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and disposition of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide

reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and may not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on "the internal control over financial reporting criteria established by the Company Considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **Jain Pramod Jain & Co.**
Chartered Accountants
(Firm Registration No. 016746 N)

(P.K.Jain)
Partner
Membership No. 010479
UDIN: 22010479AJTECV6162

Place: New Delhi
Date: 27.05.2022

BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in lakhs)

	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1a	41,409.24	41,405.54
(b) Capital work-in-progress	1b	278.69	575.36
(c) Right of use Assets	1c	47.82	86.09
(d) Financial Assets			
(i) Investments	2	1,902.91	1,902.91
(ii) Other Financial Assets	3	227.21	231.66
(e) Other non-current assets	4	827.98	643.94
		44,693.85	44,845.50
Current assets			
(a) Inventories	5	7,525.75	7,644.64
(b) Biological Assets other than bearer plants	6	13.11	4.64
(c) Financial Assets			
(i) Investments	7	9,438.63	7,515.35
(ii) Trade receivables	8	601.04	32.60
(iii) Cash and cash equivalents	9a	432.99	400.65
(iv) Bank balances other than (iii) above	9b	3,424.50	3,734.97
(v) Loans	10	-	45.00
(vi) Other financial assets	11	42.13	42.95
(d) Other current assets	12	1,010.96	766.82
		22,489.11	20,187.62
Total Assets		67,182.96	65,033.12
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	1,560.83	1,560.83
(b) Other Equity	14	51,920.70	48,627.86
		53,481.53	50,188.69
Liabilities			

Non-current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities		13.03	64.67
(ii) Other financial liabilities	15	901.67	928.24
(b) Provisions	16	508.01	694.75
(c) Deferred tax liabilities (Net)	17	7,006.45	7,275.56
		8,429.16	8,963.22
Current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities		54.22	54.22
(ii) Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises; and		546.11	678.17
Total outstanding dues of creditors other than micro enterprises and small enterprises.		2,369.50	2,243.66
(iii) Other financial liabilities	19	1,446.83	2,041.44
(b) Other current liabilities	20	622.88	680.01
(c) Provisions	21	67.81	68.86
(d) Current Tax Liabilities (Net)	22	164.92	114.85
		5,272.27	5,881.21
Total Equity and Liabilities		67,182.96	65,033.12

Significant Accounting Policies and Notes to Accounts (Note No. 33-53)

As per our report of even date
For Jain Pramod Jain & Co.
Chartered Accountants

On behalf of the Board,

(P.K. Jain)
Partner

Shiromani Sharma
Chairman

C.M. Vasudev
Shrivardhan Goenka
Sunil Srivastav
Pragya Jhunjhunwala
Directors

Place : New Delhi
Date : 27th May, 2022

Saurabh Arora
Company Secretary

Sanjeev K. Garg
Chief Financial Officer

Madhukar Mishra
Managing Director



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in lakhs)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
Revenue From Operations	23	33,053.98	23,337.47
Other Income	24	1,803.11	948.73
Total Income (I)		34,857.09	24,286.20
EXPENSES			
Cost of materials consumed	25	14,676.06	8,822.56
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	(123.58)	671.41
Employee benefits expense	27	2,467.16	2,250.04
Finance costs	28	47.35	57.97
Depreciation and amortisation expense	29	536.17	523.38
Other expenses	30	12,834.27	9,472.69
Total Expenses (II)		30,437.43	21,798.05
Profit before tax (I-II)		4,419.66	2,488.15
Tax expense:	31		
Current tax		1,030.10	618.36
Deferred tax		(275.25)	118.20
Profit for the year		3,664.81	1,751.59
Other Comprehensive Income	32		
A (i) Items that will not be reclassified to profit or loss		24.37	(3.05)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(6.14)	0.89
Total Other Comprehensive Income for the year		18.23	(2.16)
Total Comprehensive Income for the year		3,683.04	1,749.43
Earnings per equity share of par value of Rs. 10 each.	36		
(1) Basic (Rs.)		23.48	11.22
(2) Diluted (Rs.)		23.48	11.22

Significant Accounting Policies and Notes to Accounts (Note No. 33-53)

As per our report of even date
For Jain Pramod Jain & Co.
Chartered Accountants

On behalf of the Board,

(P.K. Jain)
Partner

Shiromani Sharma
Chairman

C.M. Vasudev
Shrivardhan Goenka
Sunil Srivastav
Pragya Jhunjhunwala
Directors

Place : New Delhi
Date : 27th May, 2022

Saurabh Arora
Company Secretary

Sanjeev K. Garg
Chief Financial Officer

Madhukar Mishra
Managing Director

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital	Amount (Rs. in lakhs)
Balance as at April 1, 2020	1,560.83
Changes during the year	-
Balance as at March 31, 2021	1,560.83
Changes during the year	-
Balance as at March 31, 2022	1,560.83

B. Other Equity

As at March 31, 2022							(Rs. in lakhs)
Particulars	Reserves and Surplus				Items of other comprehensive income		Total
	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Re-measurement of defined benefit plans	
Balance as at April 01, 2021	4,459.50	1,582.01	50.00	44,224.03	(1,687.68)	-	48,627.86
Profit for the year				3664.82		-	3,664.82
Remeasurement of defined benefit plans recognised directly as a part of retained earnings				18.23		-	18.23
Dividends				(390.21)			(390.21)
	-	-	-	-	-	-	-
Balance at March 31, 2022	4,459.50	1,582.01	50.00	47,516.87	(1,687.68)	-	51,920.70

As at March 31, 2021							(Rs. in lakhs)
Particulars	Reserves and Surplus				Items of other comprehensive income		Total
	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Re-measurement of defined benefit plans	
Balance as at April 01, 2020	4,459.50	1,582.01	50.00	42,958.23	(1,687.68)	(93.42)	47,268.64
Profit for the year				1,751.59			1,751.59
Total Other Comprehensive Income for the year	-	-	-		-	(2.16)	(2.16)
Dividends	-	-	-	(390.21)	-	-	(390.21)
Transfer to retained earning				(95.58)		95.58	-
	-	-	-	-	-	-	-
Balance at March 31, 2021	4,459.50	1,582.01	50.00	44,224.03	(1,687.68)	-	48,627.86

As per our report of even date
For Jain Pramod Jain & Co.
Chartered Accountants

On behalf of the Board,

(P.K. Jain)
Partner

Shiromani Sharma
Chairman

C.M. Vasudev
Shrivardhan Goenka
Sunil Srivastav
Pragya Jhunjhunwala
Directors

Place : New Delhi
Date : 27th May, 2022

Saurabh Arora
Company Secretary

Sanjeev K. Garg
Chief Financial Officer

Madhukar Mishra
Managing Director

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

1. a) Property, Plant and Equipment:

(Rs. in lakhs)

Particulars	Freehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Total
Gross Block						
Cost as at 1st April, 2020	32,145.82	120.16	10,373.37	52.53	26.66	42,718.54
Additions during the year	-	-	762.69	26.58	-	789.27
Deduction/Adjustment during the year	-	-	-	1.41	-	1.41
Balance as at 31st March, 2021	32,145.82	120.16	11,136.06	77.70	26.66	43,506.40
Additions during the year	-	-	522.23	5.65	1.24	529.12
Deduction/Adjustment during the year	26.84	-	0.83	2.79	19.73	50.19
Other Adjustments	-	-	-	-	-	-
Balance as at 31st March, 2022	32,118.98	120.16	11,657.46	80.56	8.17	43,985.33
Accumulated Depreciation						
Balance as at 1st April, 2020	-	69.78	1,497.07	33.56	16.34	1,616.75
Depreciation for the year	-	10.41	457.66	13.40	3.65	485.11
Deduction/Adjustment during the year	-	-	-	1.01	-	1.01
Balance as at 31st March, 2021	-	80.19	1,954.73	45.95	19.99	2,100.86
Depreciation for the year	-	8.18	473.72	13.70	2.30	497.90
Deduction/Adjustment during the year	-	-	0.71	2.23	19.73	22.67
Balance as at 31st March, 2022	-	88.37	2,427.74	57.42	2.56	2,576.09
Net Block						
Balance as at 31st March, 2021	32,145.82	39.97	9,181.33	31.75	6.67	41,405.54
Balance as at 31st March, 2022	32,118.98	31.79	9,229.72	23.14	5.61	41,409.24

1.1 Gross block and Net block of Buildings include flat acquired under joint ownership with others at New Delhi amounting Rs 21.13 Lakhs (March 31, 2021 Rs. 21.13 lakhs) and Rs 5.49 Lakhs (March 31, 2021, Rs.6.87 Lakhs) respectively.

1. b) Capital work-in-progress	Amount in CWIP for a period of				
Project In Progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
FY 2021-22	125.44	33.98	119.27	-	278.69
FY 2020-21	147.16	180.60	247.60	-	575.36

1. c) Right of Use Assets

Particulars	Right of Use Assets (Building)
Gross Block	
Cost as at 1st April, 2020	162.63
Additions during the year	-
Deduction/Adjustment during the year	-
Balance as at 31st March, 2021	162.63
Additions during the year	-
Deduction/Adjustment during the year	-
Other Adjustments	-
Balance as at 31st March, 2022	162.63

Accumulated Depreciation	
Balance as at 1st April, 2020	38.27
Depreciation for the year	38.27
Deduction/Adjustment during the year	-
Balance as at 31st March, 2021	76.54
Depreciation for the year	38.27
Deduction/Adjustment during the year	-
Other Adjustments	-
Balance as at 31st March, 2022	114.81
Net Block	
Balance as at 31st March, 2021	86.09
Balance as at 31st March, 2022	47.82

2. INVESTMENTS (NON-CURRENT)

(Fully paid up except otherwise stated)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Holding	Value	Holding	Value
Investments in Equity Instruments				
Investment designated at Fair Value through Other Comprehensive Income				
Quoted				
ISG Traders Limited (Face value of Rs.10/- each)	1,745,786	1902.91	1,745,786	1,902.91
Total -Non -Current Investments		1,902.91		1,902.91
Aggregate amount of Quoted Investments		1,902.91		1,902.91

2. 1 The Company has made an irrevocable decision to consider equity instruments not held for trading to be recognized at FVTOCI.

2. 2 The shares of ISG Traders Limited are quoted but not traded since long therefore the market value of investment has not been stated.

3. OTHER FINANCIAL ASSETS (NON-CURRENT)

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good		
Security Deposit (Related parties)*	49.00	49.00
Security Deposits (Others)	178.21	182.66
	227.21	231.66
* Refer Note No. 40		

4. OTHER NON-CURRENT ASSETS

(Rs. in lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
Unsecured Considered Good		
Capital Advances	72.79	46.44
Prepaid expenses	144.14	22.00
Balances/Deposits with Government Authorities	611.05	575.50
	827.98	643.94

5. INVENTORIES

Refer Note No. 3.8 for mode of Valuation

(Rs. in lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
Raw materials	4,588.37	4,896.93
Chemicals	363.07	247.62
Process stock	723.61	466.90
Finished goods	367.65	500.78
Stores and spares	1,483.05	1,532.41
	7,525.75	7,644.64

6. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

(Rs. in lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
As at Opening date	4.64	3.63
Change in fair value*	8.47	1.01
Net change in fair value less estimated costs to sell	-	-
As at Closing date	13.11	4.64

*Represents aggregate gain (loss) arising on account of change in fair value less cost to sale during the year

7. CURRENT INVESTMENTS

(Rs. in lakhs)

(Fully paid up except otherwise stated)

Particulars	Face Value	As at March 31, 2022		As at March 31, 2021	
		Holding (No)	Value	Holding (No)	Value
Investment measured at fair value through Profit and Loss					
Investment in Mutual Funds					
Quoted					
SBI Short Term Debt Fund – Regular Plan -Growth	10	1,926,553.63	501.66	1,926,553.63	482.07
ICICI Prudential Ultra Short Term Fund – Growth	10	887,553.39	423.89	887,553.39	407.06
IDFC Corporate Bond Fund Regular Plan – Growth	10	2,713,919.48	426.86	2,713,919.48	407.71
IDFC Bond Fund-Short Term Regular Plan – Growth	10	3,093,402.63	1,437.92	3,093,402.63	1,381.69
HDFC Low Duration Fund – Retail – Regular Plan – Growth	10	1,054,150.69	493.25	1,054,150.69	474.48
Franklin India Saving Fund Retail option – Growth	10	1,544,983.39	623.51	1,544,983.39	601.45
Aditya Birla Sun Life Low Duration Fund – Growth Regular Plan	10	166,934.82	894.20	166,934.82	861.01
UTI Corporate Bond Fund - Regular Growth Plan	10	15,012,981.88	1,988.39	15,012,981.88	1,906.97
Nippon India Short Term Fund - Growth Plan	10	2,433,910.83	1,041.44	2,433,910.83	992.91
ICICI Prudential	10	683,730.06	200.27	-	-
SBI Arbitrage Opportunities Fund	10	2,807,656.21	801.58	-	-
Kotak Equity Arbitrage Fund – Reg – Growth	10	1,912,482.90	605.66	-	-
Total			9,438.63	-	7,515.35
Aggregate amount of Quoted Investments					
- In Mutual Funds			9,438.63	-	7,515.35
Aggregate amount of Market Value of Quoted Investments					
- In Mutual Funds			9,438.63	-	7,515.35

8. TRADE RECEIVABLES

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Considered good, secured	601.04	32.60
Considered good, unsecured		-
Trade Receivables which have significant increase in Credit Risk	3.41	7.20
Less: Allowance for credit losses	3.41	7.20
	601.04	32.60

8.1 AGEING OF TRADE RECEIVABLE

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
(i) Undisputed Trade receivables – considered good	560.33	38.29	-	2.42	-	-	601.04
(ii) Undisputed Trade Receivables—considered doubtful	-	-	-	-	-	3.41	3.41

Less: Allowance for credit losses	-	-	-	-	-	-3.41	-3.41
Total	560.33	38.29	-	2.42	-	-	601.04
As at March 31, 2021							
(i) Undisputed Trade receivables – considered good	-	20.16	0.03	12.41	-	-	32.60
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	7.20	7.20
Less: Allowance for credit losses	-	-	-	-	-	-7.20	-7.20
Total	-	20.16	0.03	12.41	-	0.00	32.60

9. a) CASH AND CASH EQUIVALENTS

(Rs. in lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Balances with banks		
In current and cash credit accounts	430.35	396.73
Cheques in Hand	0.88	-
Cash in hand	1.76	3.92
	432.99	400.65

9. b) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(Rs. in lakhs)

Particulars	Ref. Note No.	As at March 31,2022	As at March 31,2021
Other balance with banks			
In Margin Money Accounts		630.42	953.92
Earmarked balances with bank			
Redemption of preference share		-	-
Unclaimed Dividend Account		15.83	14.16
Fixed deposits with Banks(having original maturity of more than 3 months But less than 12 Months)		2,778.25	2,766.89
		3,424.50	3,734.97

10. LOANS (CURRENT)

(Rs. in lakhs)

Particulars	Ref. Note No.	As at March 31,2022	As at March 31,2021
(Unsecured Considered Good)			
Inter Corporate Loan	43	45.00	45.00
Less: Provision for doubtful loans		(45.00)	-
		-	45.00

11. OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

(Rs. in lakhs)

Particulars	As at March 31,2022	As at March 31,2022
Interest receivables on deposits	42.13	42.95
	42.13	42.95

12. OTHER CURRENT ASSETS

(Rs. in lakhs)

Particulars	As at March 31,2022	As at March 31,2021
(Unsecured, Considered Good)		
Advances for supply of goods and rendering of services	862.89	692.58
Prepaid expenses	140.65	67.96
Advances to Employees	4.02	6.28
Other Advances	3.40	-
	1,010.96	766.82

13. EQUITY SHARE CAPITAL

(Rs. in lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Authorized		
10,000 5% Cumulative Tax Free Redeemable Preference Shares of Rs.100 each	10.00	10.00
39,800,000 Equity Shares of Rs.10 each	3,980.00	3,980.00
100,000 'A' Equity Shares of Rs.10 each	10.00	10.00
	4,000.00	4,000.00
Issued		
15,511,250 Equity Shares of Rs.10 each	1,551.12	1,551.12
100,000 'A' Equity Shares of Rs.10 each	10.00	10.00
	1,561.12	1,561.12
Subscribed and Paid-up		
15,508,350 Equity Shares of Rs.10 each	1,550.83	1,550.83
100,000 'A' Equity Shares of Rs.10 each	10.00	10.00
	1,560.83	1,560.83

13.1 The Company has two class of equity shares having a par value of Rs. 10/-. Each holder of both class of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders of the both class are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

13.2 RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING

Particulars	No. of shares	
	As at March 31,2022	As at March 31,2021
Number of shares at the beginning	15,608,350	15,608,350
Add: Addition during the year	-	-
Number of shares at the end	15,608,350	15,608,350

13.3 SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARES

Name of share holders	No. of shares	
	As at March 31,2022	As at March 31,2021
ISG Traders Ltd	4,968,744	4,968,744
Albert Trading Company Pvt. Ltd.	905,200	905,200

13.4 PROMOTER'S SHAREHOLDING :

Name of Promoters	As at March 31,2022		% Change During the year
	No. of Shares	% of Total Shares	
Shrivardhan Goenka	45,500	0.29	-
Continuous Form (Calcutta) Ltd.	510,000	3.27	-
I S G Traders Ltd.	4,968,744	31.83	-
Albert Trading Company Pvt. Ltd.	905,200	5.80	-
Silent Valley Investments Ltd.	621,000	3.98	-
	7,050,444	45.17	-

14. OTHER EQUITY

(Rs. in lakhs)

Particulars	Ref. Note No.	As at March 31, 2022	As at March 31, 2021
Capital Redemption Reserve	14.2	50.00	50.00
Securities Premium Reserve	14.3	4,459.50	4,459.50
General Reserve	14.4	1,582.01	1,582.01
Retained Earnings	14.5	47,516.87	44,224.03
Other Comprehensive Income:	14.6		
Equity instrument through other comprehensive income		(1,687.68)	(1,687.68)
		51,920.70	48,627.86

14.1 Refer Statement of changes in Equity for movement in balances of reserves

14.2 Capital Redemption Reserve

Represent reserve created during redemption of 5% Cumulative Tax Free Redeemable Preference Shares of Rs.100 each and it is a non-distributable reserve.

14.3 Securities Premium Reserve

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

14.4 General Reserve

The general reserve is created from time to time by appropriating profits from retained earnings. The general reserve is created by a transfer from one component of equity to another and accordingly it is not reclassified to the Statement of profit and loss.

14.5 Retained Earnings

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the company. It also includes Rs.24713.07 lakhs being fair value of land as on date of transition taken as deemed cost.

14.6 Other Comprehensive Income

Other Comprehensive Income represent the balance in equity for items to be accounted in Other Comprehensive Income (OCI) and comprises of the following:

i) Items that will not be reclassified to profit and loss

- The company has elected to recognise changes in the fair value of non-current investments in OCI. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed.
- The actuarial gains and losses arising on remeasurement of defined benefit obligations have been recognised in OCI & are adjusted in retained earnings.

15. OTHER FINANCIAL LIABILITIES

(Rs. in lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Deposits		
(i) from whole sellers	780.00	780.00
(ii) from others	121.67	148.24
	901.67	928.24

16. PROVISIONS

(Rs. in lakhs)

Particulars	Ref. Note No.	As at March 31,2022	As at March 31,2021
Provision for employee benefits	35	508.01	694.75
		508.01	694.75

17. DEFERRED TAX LIABILITIES

The following is the analysis of deferred tax (assets)/liabilities presented in the Balance Sheet:

(Rs. in lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Deferred tax Assets	(411.05)	(499.23)
Deferred tax Liabilities	7,417.50	7,774.79
Net Deferred Tax (Assets)/Liabilities	7,006.45	7,275.56

COMPONENTS OF DEFERRED TAX (ASSETS)/ LIABILITIES AS AT MARCH 31, 2022 ARE GIVEN BELOW:

Particulars	As at March 31 , 2021	Charge/ (Credit) recognised	Charge/ (Credit) recognised in other comprehensive income	As at March 31 , 2022
Deferred Tax Assets:				
Expenses allowable on payment basis	245.75	(80.80)	-	164.95
MAT credit entitlement	-	-	-	-
Provision for doubtful debts	2.10	(1.24)	-	0.86
Lease liability	12.63	-	-	12.63
Remeasurement of defined benefit obligations	43.42	-	(6.14)	37.28
Fair value of Investment	195.33	-	-	195.33
Total Deferred Tax Assets	499.23	(82.04)	(6.14)	411.05
Deferred Tax Liabilities:				
Timing difference with respect to Property, Plant & Equipment	7,511.15	(335.40)	-	7,175.75
Recognition of Biological Assets	0.30	1.84	-	2.14
Fair value of Investment	263.34	(23.73)	-	239.61
Total Deferred Tax Liabilities	7,774.79	(357.29)	-	7,417.50
NET DEFERRED TAX (ASSETS)/ LIABILITIES	7,275.56	(275.25)	(6.14)	7,006.45

18. TRADE PAYABLES

(Rs. in lakhs)

Particulars	Ref. Note No.	As at March 31,2022	As at March 31,2021
Total outstanding dues of micro enterprises and small enterprises; and	18.1	546.11	678.17
Total outstanding dues of creditors other than micro enterprises and small enterprises.		2,369.50	2,243.66
		2,915.61	2,921.83

18.1 Disclosure of Trade payables as required under section 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, based on the confirmation and information available with the company regarding the status of suppliers.

Particulars	As at 31-Mar-22	As at 31-Mar-21
a) Principal & Interest amount remaining unpaid but not due as at year end	546.11	678.17
b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
d) Interest accrued and remaining unpaid as at year end	Nil	Nil
e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil

18.2 AGEING OF TRADE PAYABLE

As at 31-Mar-22	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	535.62					535.62
(ii) Others	2315.37	6.49	1.60	14.77		2,338.23
(iii) Disputed dues – MSME			10.49			10.49
(iv) Disputed dues - Others				26.59	4.68	31.27
Total	2850.99	6.49	12.09	41.36	4.68	2915.61
As at 31-Mar-21	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
						-
(i) MSME	665.97					665.97
(ii) Others	2156.22	1.60	14.78	6.03	0.54	2,179.17
(iii) Disputed dues – MSME		10.49			1.71	12.20
(iv) Disputed dues - Others			21.37	4.78	38.34	64.49
Total	2822.19	12.09	36.15	10.81	40.59	2921.83

19. OTHER FINANCIAL LIABILITIES

(Rs. in lakhs)

Particulars	Ref. Note No.	As at 31-Mar-22	As at 31-Mar-21
Interest payable (Related party)	39	6.77	6.77
Unclaimed dividends	19.1	15.83	14.16
Creditors Pertaining To Capital Expenditure		227.03	281.25
Salaries, Wages, Bonus and Other Employee Payables		597.43	530.32
Others *		599.77	1,208.94
		1,446.83	2,041.44

19.1 The same is not due for payment to Investor Education and Protection Fund.

* Includes sales incentive payable/expenses payable etc.

20. OTHER CURRENT LIABILITIES

(Rs. in lakhs)

Particulars		As at March 31, 2022	As at March 31, 2021
Advance from customers		211.43	338.16
Statutory dues Payable		411.45	341.85
		622.88	680.01

21. PROVISIONS

(Rs. in lakhs)

Particulars	Ref. Note No.	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits	35	67.81	68.86
		67.81	68.86

22. CURRENT TAX LIABILITIES (NET)

(Rs. in lakhs)

Particulars		As at March 31, 2022	As at March 31, 2021
Provision for taxation (net of advance tax)		164.92	114.85
		164.92	114.85

23. REVENUE FROM OPERATIONS

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Sale of products	32478.55	22998.24
Other Operating Revenue:		
Sale of Waste Sludge, Scrap, etc.	574.40	339.23
Incentive on Export	1.03	-
	575.43	339.23
	33053.98	23337.47

24. OTHER INCOME

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest Income:-		
On loans, deposits, overdue Trade Receivable etc.	138.84	85.00
On Financial Assets measured at amortised cost	1.45	1.45
Net change in fair value less estimated costs to sell of biological assets	8.47	1.01
Net gain/(loss) on sale / redemption of Current investments (net)	-	30.03
Net gain/(loss) on fair valuation of Current investments through profit and loss (net)	323.30	492.94
Profit/(loss) on sale of Property, Plant and Equipment (Net)	9.15	0.23
Research contribution from IPMA	-	6.16
Provision for doubtful debts written back	3.78	-
Net gain/(loss) on foreign currency transaction and translation	-	0.27
Provision/ Liability no longer required written back (Net)	1,026.92	168.61
Miscellaneous income	291.20	163.03
	1803.11	948.73

25. COST OF MATERIALS CONSUMED

(Rs. in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Raw Materials Consumed	14676.06	8822.56

25.1 Details of material consumed

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Wood, wood and paper waste and wood pulp	10106.14	6310.82
Chemical and Dyes Consumed	4569.92	2511.74
	14676.06	8822.56

26. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE & WORK-IN-PROGRESS

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Opening Stock:		
Stock In Process	466.90	575.86
Finished Stock	500.78	1063.23
	967.68	1639.09
Closing Stock:		
Stock In Process	723.61	466.90
Finished Stock	367.65	500.78
	1091.26	967.68
	-123.58	671.41

27. EMPLOYEES BENEFIT EXPENSES

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Salaries, Wages, Bonus and Benefits etc.	2151.98	1961.35
Contribution Provident and Other Funds	182.62	155.80
Employees Welfare Expenses	132.56	132.89
	2467.16	2250.04

28. FINANCIAL COSTS

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest Expense	42.59	51.31
Interest on Lease Liability	4.76	6.66
	47.35	57.97

29. DEPRECIATION AND AMORTISED EXPENSES

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Depreciation on Property, Plant and Equipment	497.90	485.11
Depreciation on Right To Use of Assets	38.27	38.27
	536.17	523.38

30. OTHER EXPENSES**(Rs. in lakhs)**

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Stores and components consumed	1157.98	848.35
Power and fuel	7332.63	5098.86
Repair to:-		
Buildings	420.01	109.11
Machinery	766.95	588.68
Others	22.03	11.53
Rent	76.77	86.13
Rates and Taxes	125.79	66.47
Insurance	124.04	98.51
Packing , Transportation and other selling expenses	166.25	131.17
Brokerage and Commission	163.63	414.56
Directors Fees	8.30	14.10
Net gain/(loss) on foreign currency transaction and translation	0.07	0.00
Legal & professional charges	562.10	423.59
General manufacturing expenses (contractor Wages)	669.04	483.52
Miscellaneous expenses	1238.68	1098.11
	12834.27	9472.69

30.1 AUDITORS REMUNERATION (including in misc. exps.)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Statutory Audit Fee	7.00	7.00
Fee for Taxation Matters	1.80	1.80
Fee for Certification and Review	2.65	2.65
For reimbursement of expenses	0.07	0.12
Cost Audit Fee	0.50	0.50
Total	12.02	12.07

30.2 During the year, the company has incurred Rs. 95.63 lakhs (March 31,2021 Rs. 78.50. lakhs) on account of research and development expenses which has been charged to Statement of Profit & Loss.

30.3 Disclosure on Corporate Social Responsibility Expenses

- (a) Gross amount required to be spent by the Company during the year 2021-22 in pursuance to the provision of section 135 of the Companies, Act 2013 and rules made there under is Rs. 74.98 Lakhs (Previous year 107.75 Lakhs)

(b) Detail of amount actually spent by the Company is as follows:

(Rs. in lakhs)

S. No.	Particulars	2021-22			2020-21		
		Amount Spent	Amount Yet to be Spent	Total	Amount Spent	Amount Yet to be Spent	Total
1	Eradicating hunger, poverty, malnutrition, promoting health care and sanitation including contribution to swachh bharat kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	19.64	-	19.64	65.53	15.42	50.11
2	Promoting education, including special education and employment enhancing vocational skill specially among children, women, elderly and differently abled and livelihood enhancement projects.	34.50	18.06	16.44	2.85	0.00	2.85
3	Promoting gender equality, empowering woman, setting up homes and hostels for woman and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	6.36	-	6.36	25.38	-	25.38
4	Ensuring environmental sustainability/ ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water etc.	31.05	-	31.05	29.41	-	29.41
5	Administration/supervision expenses on CSR Activities	1.49	-	1.49	-	-	-
Total		93.04	18.06	74.98	123.17	15.42	107.75

30.4 Fair value of investment in ISG Traders Limited has not been evaluated after 31.12.2019

30.5 An erstwhile Director who had been disqualified Under section 164(2) has filed application with competent authority and a writ petition in Honorable High Court Calcutta for removal of disqualification. Subject to outcome of the petition, remuneration aggregating to Rs. 724.13 lakhs in respect of earlier years (paid Rs 555.13 lakhs and provided Rs 169 lakhs) is recoverable from the said Director.

30.6 RIGHT-OF-USE ASSETS : (BUILDING)

(a) The Company has taken certain offices and residential premises on lease for short term period. The aggregate lease rental of Rs. 76.77 lakhs (Previous year Rs. 86.13 lakhs) on such lease has been charged to Statement of Profit & Loss.

(b) Impact on Statement of Profit and Loss

Particulars	2021-22	2020-21
(i) Interest on lease liabilities	4.76	6.66
(ii) Depreciation of Right-of-use Assets Note No.-29	38.27	38.27
(iii) Actual Lease Rent Paid	56.39	54.25
(iv) Impact on the statement of profit and loss (credit)	(13.36)	(9.32)

(c) Lease Liabilities Reconciliation

Particulars	2021-22	2020-21
(i) Opening Balance	118.89	166.48
(ii) Interest on lease liabilities	4.76	6.66
(iii) Repayment/ Actual Rent	56.39	54.25
(iv) Closing Balance	67.25	118.89

31. TAX EXPENSES

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Provision For Current Tax	1030.10	618.36
Deferred Tax	-275.25	118.20
	754.85	736.56

31.1 COMPONENT OF TAX EXPENSES:

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Current Tax		
In respect of current year	1030.10	618.36
Total Current Tax expenses recognised in the current year	1030.10	618.36
Deferred Tax		
In respect of current year	-275.25	118.20
Total Deferred Tax expenses recognised in the current year	-275.25	118.20
Total tax expense recognised in the current year	754.85	736.56

31.2 RECONCILIATION OF INCOME TAX EXPENSE FOR THE YEAR WITH ACCOUNTING PROFIT IS AS FOLLOWS:

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows :

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Profit before tax	4419.66	2488.15
Income tax expense calculated at Applicable Corporate Tax Rate	1112.43	724.55
Add: Tax Incidences on addition		
Disallowances u/s 43B	43.04	58.77
Other disallowances (CSR And Provision of Advances etc)	31.40	44.46
Difference of Book and Income Tax depreciation	24.71	-
Tax on Capital Gain	0.91	-
Less: Tax incidences on deductions		
Difference of Book and Income Tax depreciation	-	8.79
Expenses paid u/s 43B paid during the year	84.52	41.22
Other deductions	97.87	159.41
Income tax expense recognised in profit or loss	1030.10	618.36
Effective Tax Rate	23.31%	24.85%

The tax rate used for reconciliations above is the corporate tax rate of 25.17% (previous year 29.12%) payable by corporate entities in India on taxable profits under the Indian tax laws.

32. COMPONENTS OF OTHER COMPREHENSIVE INCOME

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Items that will not be reclassified to Statement of Profit or Loss		
Remeasurement of defined benefit plans	24.37	(3.05)
	24.37	-3.05
Income tax on above	(6.14)	0.89
Total Other Comprehensive Income	18.23	(2.16)

NOTE NO. 33

Company Overview, Basis of Preparation & Significant Accounting Policies

1. Corporate Information

Star Paper Mills Limited ('the company') is a public limited company in India having its plant at Saharanpur the State of Uttar Pradesh and registered office at Duncan House, 2nd Floor, 31, Netaji Shubash Road, Kolkata in the State of West Bengal and engaged in the manufacture and supply of Paper and Paper Board as its core business. It produces a wide range of Industrial Packaging and cultural paper catering to all segment of the consumer. The Company's shares are listed on the NSE Limited and BSE Limited.

2. STATEMENT OF COMPLIANCE AND RECENT PRONOUNCEMENTS

2.1 STATEMENT OF COMPLIANCE

The financial statements of the Company have been prepared in accordance with and to comply in all material aspects with Indian Accounting Standards (Ind AS) as notified under the relevant provisions of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as applicable.

The financial statements have been prepared on accrual and going concern basis under historical cost convention, except for the items that have been measured at fair value as required by relevant Ind AS.

Company's financial statements are presented in India Rupees, which is also its functional currency. All amount in the financial statements and accompanying notes are presented in lakhs Indian Rupees and have been rounded-off to two decimal place in accordance with the provisions of Schedule III, unless stated otherwise.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION

The Financial Statements have been prepared under the historical cost convention except certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period and certain class of Property, Plant and Equipment i.e. freehold land which on the date of transition have been fair valued to be considered as deemed costs.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

3.2 PROPERTY PLANT AND EQUIPMENT (PPE)

Property, plant and equipment are stated at cost of acquisition or deemed cost on the date of transition except fair value of freehold land on date of transition considered as deemed cost or construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. Cost of an asset comprises its purchase price or its construction cost including import duties and non-refundable purchase taxes, inward freight, dismantling costs, installation expenses wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management, after deducting trade discounts and rebates and recoverable taxes. For

major projects, interest and other costs incurred on / related to direct borrowings to finance projects / fixed assets during construction period and related pre-operative expenses, if appropriate, are capitalized.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement when incurred.

Capital Work-in-progress includes preoperative and development expenses, equipments to be installed, construction and erection materials, etc. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use.

DEPRECIATION AND AMORTIZATION OF EXPENSES:

Depreciation on PPE is provided on the basis of life reviewed and assessed by the company at the end of the year based on technical evaluation of relevant class of assets, as detailed below:

Buildings	30 Years
Plant and Equipments	10-15 Years
Furniture and Fixtures	5-10 Years
Vehicles	10 Years
Computer	3-5 Years
Office Equipment	10 Years

3.3 DERECOGNITION OF TANGIBLE ASSETS

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.4 LEASES

The Company's lease asset primarily consists of lease for building. The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Company has elected not to recognize Right-of-use Assets and lease liabilities for short-term leases i.e. lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term. The Company recognizes a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use Asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortized cost basis.

3.5 IMPAIRMENT OF TANGIBLE ASSETS

Tangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognised in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost to disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

3.6 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets and financial liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.



The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and Cash Equivalents

All highly liquid financial instruments, which are readily convertible into determinable amount of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities Measured at Amortised Cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) Financial Asset at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

The Company has made an irrevocable decision to consider equity instruments not held for trading to be recognised at FVTOCI.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair Value Through Profit or Loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognised in the statement of profit and loss.

(vi) Impairment of Financial Assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) Derecognition of Financial Instruments

The Company derecognises a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party and also transfer qualifies for derecognition under Ind-AS - 109.

On de-recognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognised in statement of profit and loss.

On de-recognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

(viii) Valuation of Investments

The company holds investments in equity which are measured at fair value through Other Comprehensive Income. The Company's investments in mutual fund schemes have been valued at fair value and are recognised in Profit and Loss Account.

3.7 BIOLOGICAL ASSETS

Biological assets of the company comprises of unharvested clonal plants that are classified as current biological assets. The company recognizes biological assets when, and only when, the company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the company and the fair value or cost of the biological assets can be measured reliably. Biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in statement of profit and loss for the period in which it arises.

3.8 INVENTORIES

The inventories are valued at lower of cost or net realisable value. Cost of inventories is ascertained on 'weighted average' basis. Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same. Cost in respect of finished goods and wrapper represents material, labour and other manufacturing cost and appropriate portion of overheads but does not include interest, selling and distribution overheads. Cost in respect of process stock represents, cost incurred up to the stage of completion.

3.9 ASSET HELD FOR SALE

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

3.10 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and corresponding gain or loss is adjusted to the value of the concerned asset or liability. The company enters into derivative financial instruments to manage its exposure to foreign exchange rate risk using forward exchange contracts. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measurement to their fair value at each balance sheet date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged.

3.11 EQUITY SHARE CAPITAL

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognised when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognised and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.13 EMPLOYEE BENEFITS

Employee benefits are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognised as an expense in the statement of profit and loss for the year in which the related service is rendered.

Contribution to defined contribution plans such as Provident Fund etc, is being made in accordance with statute and are recognised as and when incurred.

Contribution to defined benefit plans consisting of contribution to Gratuity and Pension are determined at the end of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

Other long term employee benefits consisting of Leave Encashment are determined at the end of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain/loss are recognised in the Statement of Profit and Loss.

3.14 REVENUE

Revenue from contract with customer:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractual terms and conditions. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. Revenue is disclosed net of returns, incentives and returns, as applicable. Variable consideration includes volume discounts, price concessions, liquidity damages, incentives, etc. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.

Interest, Dividend and Claims

Dividend income is recognised when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/ other claims are accounted as and when admitted or settled whichever ever is earlier.

3.15 BORROWING COSTS

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

3.16 TAXES ON INCOME

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

3.17 EARNINGS PER SHARE

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.18 SEGMENT REPORTING

Operating Segments are identified and reported taking into account the different risk and return, organisation structure and internal reporting system.

3.19 GOVERNMENT GRANTS AND SUBSIDIES/ INCENTIVES

Grant from government are recognised when there is reasonable assurance that the condition attached to them will be complied and grant/ subsidy will be received and there exists no significant uncertainty with regard to the collection. Export benefits are accounted for as and when the ultimate realisability of such benefits are established.

4. CRITICAL ACCOUNTING JUDGMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amount of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known / materialised and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

4.1 FAIR VALUE AS DEEMED COST FOR PPE

The Company has used fair value of land as carried out by external valuer as on the date of transition i.e. 1st April 2016 as deemed costs.

4.2 IMPAIRMENT LOSS ON TRADE RECEIVABLES

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

4.3 INCOME TAXES

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes. The deferred tax liability consequent to fair valuation of land and financial instruments involving estimation for timing differences has been recognised in these financial statements.

4.4 PROVISIONS AND CONTINGENCIES

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

4.5 DEFINED BENEFIT OBLIGATION (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

5. RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

IND AS 16 - PROPERTY PLANT AND EQUIPMENTS

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

IND AS 37 - PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and the impact is not expected to be material.

34. FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

(Rs. in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non-Current)				
Financial Assets measured at Amortised Cost				
Cash and cash equivalents	432.99	432.99	400.65	400.65
Bank Balances Other than Cash and Cash Equivalents	3,424.50	3,424.50	3,734.97	3,734.97
Other Financial Assets	269.34	269.34	274.61	274.61
Trade Receivables	601.04	601.04	32.60	32.60
Financial Assets designated at Fair Value through Profit and Loss Account				
Investment in Mutual Funds	9,438.63	9,438.63	7,515.35	7,515.35
Financial Assets designated at Fair Value through Other Comprehensive Income				
Investment in Equity Instruments	1,902.91	1,902.91	1,902.91	1,902.91
(a) Total Financial Assets	16,069.41	16,069.41	13,861.09	13,861.09
Financial Liabilities (Current and Non-Current)				
Financial Liabilities designated at Amortised Cost				
Trade Payables	2,915.61	2,915.61	2,921.83	2,921.83
Other Financial Liabilities	2,415.75	2,415.75	3,088.57	3,088.57
Total of Financial Liabilities	5331.36	5331.36	6010.40	6010.40

FAIR VALUATION TECHNIQUES

The fair values of the financial assets and liabilities are determined at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, trade receivables and payables, current financial liabilities/financial assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

Investments in liquid and short-term mutual funds are determined using quoted market prices at the reporting date multiplied by the quantity held. Quoted Investments for which quotations are not available have been determined by an external independent valuer appointed in this respect with reference to the market value of the investment held by that company, P/E ratio of similar sector company along with premium/discount for controlling interest.

FAIR VALUE HIERARCHY

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2022:

(Rs. in lakhs)

Particulars	As at March 31, 2021	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
Financial Assets				
Investment in Mutual Funds	9,438.63	9,438.63	-	-
	(7,515.35)	(7,515.35)	-	-
	-	-	-	-
Investment in Equity Instruments(Non-Current)	1,902.91	-	-	1,902.91
	(1,902.91)	-	-	(1,902.91)

(*) Figures in round brackets () indicate figures as at March 31, 2021

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

- (a) Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- (c) Level 3: Inputs for the asset or liability which are not based on observable market data.

During the year ended March 31, 2022, there were no transfers between Level 1, Level 2 and Level 3.

The Inputs used in fair valuation measurement are as follows:

Inputs used in fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the borrowing rate of the company.

Equity Instruments are valued based on the market value of investments held by that company, P/E ratio of similar sector company along with premium/discount of controlling interest.

FINANCIAL RISK FACTORS

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to for see the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed with the Company's policies and risk objectives.

MARKET RISK

Market risk is the risk or uncertainty arising from possible market price fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes trade receivables, borrowings, investments and trade and other payables.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated transactions.

The Company evaluates exchange rate exposure arising from these transactions and follows established risk management policies. As at the year end the company had no exposure in the foreign currency and neither in the previous year.

OTHER PRICE RISK

The company's investments in mutual funds and equity instruments which are fair valued through profit and loss and other comprehensive income respectively. The company's investment in Equity instruments are strategic and long term in nature and these are further subject to impairment testing as per the policy followed in this respect and are not expected to be material whereas investments in mutual funds are for short term in nature for deployment of surplus with the company which are subject to market conditions.

CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). To manage this, the management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Major supplies are through whole seller who have paid deposit to the company and the risk involved in payment default is minimum. Further, evaluating the credit worthiness of the customers has minimised the risk of default by other segment customers. Besides, the risk of export receivables is covered under Credit Insurance. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly. Further the company obtains necessary security including letter of credits and/or bank guarantee to mitigate its credit risk.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivables balance at the end of the year, there are three customer of Rs.362.61 lakhs which accounted for more than 10% of the accounts receivable as at March 31, 2022.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Receivables from customers are reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote.

FINANCIAL ASSETS THAT ARE NEITHER PAST DUE NOR IMPAIRED

Cash and cash equivalents, investment and deposits with banks are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.



FINANCIAL ASSETS THAT ARE PAST DUE BUT NOT IMPAIRED

Trade receivables disclosed above includes certain amounts that are past due at the end of the reporting period but against which no credit losses has been expected to arise.

LIQUIDITY RISK

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet it's cash and collateral requirements at all times. The company relies on internal accruals to meet its fund requirement.

LIQUIDITY AND INTEREST RISK TABLES

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows as on March 31, 2022. The Company is not having any borrowings hence there is no interest risk.

MATURITY ANALYSIS OF FINANCIAL LIABILITIES

As at March 31, 2022

(Amount Rs. In lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Other Liabilities	2,415.75	2,415.75				2,415.75
Trade and other payables	2,915.61	2,915.61				2,915.61
As at March 31, 2021						(Amount Rs. In lakhs)
Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Other Liabilities	3,088.57	3,088.57				3,088.57
Trade and other payables	2,921.83	2,921.83				2,921.83

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

The gearing ratio are as follows:

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	-	-
Less Cash and Cash Equivalents	432.99	400.65
Net Debt	(432.99)	(400.65)
Equity	53,481.53	50,188.69
Equity and Net Debt	53,048.54	49,788.04
Gearing Ratio	-	-

35. POST RETIREMENT EMPLOYEE BENEFITS

The disclosures required under IND Accounting Standard 19 on "Employee Benefits" are given below:

a) DEFINED CONTRIBUTION PLANS

Contribution to Defined Contribution Plan, recognized for the year are as under :

(Rs. In lakhs)

Particulars		For the year ended 31.03.2022	For the year ended 31.03.2021
Employer's Contribution to Provident Fund & Family Pension Fund		102.89	75.00
Employer's State Insurance		24.52	18.22

b) DEFINED BENEFIT PLANS

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for pension and leave encashment is recognised in the same manner as gratuity.

(Rs. In lakhs)

Particulars	Gratuity (Funded)		Pension Non Funded)	
	2021-22	2020-21	2021-22	2020-21
a) Change in the Present value of the defined benefit obligation:				
Liability at the beginning of the year	639.18	719.79	352.66	356.26
Interest Cost	42.79	49.27	23.63	24.40
Current Service Cost	34.98	33.39	0.65	0.88
Actuarial (gain) / loss on obligations	9.82	(9.24)	(34.09)	9.79
Benefits paid	(148.57)	(154.03)	(31.00)	(38.68)
Liability at the end of the year	578.21	639.18	311.85	352.66
b) Changes in the Fair Value of Plan Asset				
Fair value of Plan Assets at the beginning of the year	337.00	293.44	-	-
prior period adjustment	-	-	-	-
Expected Return on Plan Assets	22.56	20.09	-	-
Contributions by the Company	220.00	180.00	31.00	38.68
Benefits paid	(148.57)	(156.53)	(31.00)	(38.68)
Actuarial gain / (loss) on Plan Assets	-	-	-	-
Fair value of Plan Assets at the end of the year	431.00	337.00	-	-
c) Actual return on Plan Asset				
Expected return on Plan assets	22.56	20.09	-	-
Actuarial gain / (loss) on Plan Assets	-	-	-	-
Actual Return on Plan Assets	22.56	20.09	-	-
d) Amount Recognized in Balance Sheet				
Liability at the end of the year	578.21	639.18	311.85	352.66
Fair value of Plan Assets at the end of the year	431.00	337.00	-	-
	147.21	302.18	311.85	352.66
e) Components of Defined Benefit Cost				
Current Service Cost	34.98	33.39	0.65	0.88
Interest Cost	42.79	49.27	23.63	24.40
Expected Return on Plan Assets	(22.56)	(20.09)	-	-
prior period adjustment	-	-	-	-
Net Actuarial (gain) / loss on remeasurement recognised in OCI	9.71	(6.74)	(34.09)	9.79
Total Defined Benefit Cost recognised in Profit and Loss and OCI	64.93	55.83	(9.81)	35.07
f) Balance Sheet Reconciliation				
Opening Net Liability	302.18	426.35	352.66	356.26
Expenses as above	64.93	55.83	(9.81)	35.07
Employers Contribution	(220.00)	(180.00)	(31.00)	(38.68)



Amount Recognized in Balance Sheet	147.11	302.18	311.85	352.66
g) Principal Actuarial assumptions as at the Balance Sheet date				
Discount Rate(Per annum)	6.70%	6.70%	7.25%	6.70%
Salary Growth Rate (Per annum)	5.00%	5.00%	5.00%	5.00%
Rate of Return on Plan Assets	8.00%	8.00%	Not Applicable	Not Applicable

NOTES:

i) Assumptions relating to future salary increases, attrition, interest rate for discount & overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.

ii) The Company contributed Rs. 220.00 lakhs (Previous Year Rs. 180.00 lakhs) to Gratuity fund in 2021-22.

RECOGNISED IN OTHER COMPREHENSIVE INCOME

(Rs. In lakhs)

Particulars		Gratuity	Pension
Remeasurement - Actuarial loss/(gain)			
For the year ended March 31, 2021		(6.74)	9.79
Remeasurement - Actuarial loss/(gain)			
For the year ended March 31, 2022		9.71	(34.09)

PERCENTAGE ALLOCATION OF PLAN ASSETS IN RESPECT OF FUND MANAGED BY INSURER/TRUST IS AS FOLLOWS

SENSITIVITY ANALYSIS:

(Rs. In lakhs)

Particulars	Change in Assumption	Effect in Gratuity Obligation	Effect in Pension Obligation	Effect in Leave Obligation
For the year ended 31st March, 2021				
Discount Rate	+1%	611.13	326.31	101.44
	-1%	670.98	382.92	117.43
Salary Growth Rate	+1%	671.02	353.26	117.49
	-1%	610.63	351.88	101.27
For the year ended 31st March, 2022				
Discount Rate	+1%	549.78	289.54	108.14
	-1%	610.63	337.34	127.15
Salary Growth Rate	+1%	610.86	312.15	127.29

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. Sensitivity due to mortality & withdrawal are not material & hence impact of change not calculated.

History of experience adjustments is as follows:

(Rs. In lakhs)

Particulars	Gratuity	Pension	Leave
For the year ended March 31, 2021			
Plan Liabilities - (loss)/gain	(6.74)	9.79	-
Plan Assets - (loss)/gain	-	-	-
For the year ended March 31, 2022			
Plan Liabilities - (loss)/gain	9.71	(34.09)	-
Plan Assets - (loss)/gain	-	-	-

Maturity Profile of Defined Benefit Obligation

Expected Cash Flows over the next (valued on undiscounted basis)	Gratuity	Pension	Leave
1 year	218.14	31.15	32.30
2 to 5 years	212.34	121.16	31.78
6 to 10 years	130.27	134.60	25.40
More than 10 years	399.82	276.45	121.07

OCI PRESENTATION OF DEFINED BENEFIT PLAN

- Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

- Leave encashment cost is in the nature of short term employee benefits. Presentation in Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss. IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1. Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet. When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate. The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

36. CALCULATION OF EARNING PER SHARE IS AS FOLLOWS:

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
(a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss	3,664.81	1,751.59
Net profit for basic and diluted earnings per share	3,664.81	1,751.59
(b) Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value Rs. 10/- per share)		
No. of equity shares outstanding as on 31st March	15,608,350	15,608,350
	15,608,350	15,608,350
(c) Weighted average number of equity shares outstanding	15,608,350	15,608,350
d) Earnings per share (EPS) of Equity Share of Rs. 10 each:		
a) Basic (Rs.)	23.48	11.22
b) Diluted (Rs.)	23.48	11.22

37. COMMITMENTS NOT PROVIDED FOR

Estimated amount of contracts remaining to be executed on capital account (net of advances) Rs.110.72 Lakhs (March 31, 2021 Rs. 93.80 Lakhs)

38. The Board of Directors has recommended a dividend of Rs. 3.50/- per share to be paid on fully paid equity shares in respect of the financial year ended March 31, 2022. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs 546.29 lakhs.

39. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

(Rs. In lakhs)

Various show cause notices/demands issued/ raised, which in the opinion of the management are not tenable and are pending with various forum / authorities:	As at March 31, 2022	As at March 31, 2021
1. Sales Tax including Trade Tax	568.97	568.97
2. Excise Duty	4.84	4.84
3. Electric Duty	2.70	2.70
4. Employees State Insurances Corp.	6.37	6.37
5. Sales Tax on Royalty	69.10	69.10
6. Entry tax on fuels, etc.	124.37	77.00
7. Workers Claims	49.35	48.15
8. Compensation Claimed by Railway Authorities	3,200.00	3,200.00
9. Income Tax	53.55	-
10. GST	4.36	-
11. Others	560.00	-

40. Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows:

A) Names of related parties and description of relationship

1) Key Management Personnel (KMP) and their close member / Other Directors	Mr. G.P. Goenka - Emeritus Chairman
	Mr. S. Sharma -Chairman
	Mr. M. Mishra - Managing Director
	Mr. M.P. Pinto - Director (upto 06.05.2021)
	Mr. S.V. Goenka - Director and son of 'Emeritus Chairman'
	Mr. C.M. Vasudev - Director
	Mr. S. Srivastav - Director
	Mrs. Pragya Jhunjunwala- Director w.e.f (25.06.2021)
	Mr. Sandeep Rastogi - Chief Financial Officer (upto 30.10.2021)
	Mr. Saurabh Arora - Company Secretary
	Mrs. M. Mishra - wife of Managing Director
2) Enterprise where Directors and/or their relative have significant influence or control	Kavita Marketing Pvt. Ltd.
	Duncans Tea Ltd.

3) STAR PAPER MILLS LIMITED IS ASSOCIATE OF I S G TRADERS LIMITED

B) TRANSACTIONS WITH RELATED PARTIES

(Rs. In lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Key Management Personnel (KMP)		
Short-term Employee Benefits*	372.15	421.36
Benefits to Non-Executive Directors #	11.70	14.10

* Post-employment benefits and other long-term benefits have been disclosed based on actual payment made on retirement/resignation of services, but does not include provision made on actuarial basis as the same is available for all the employees together.

including Sitting fees

Consultancy Fee:		
Mr. G.P. Goenka	270.00	135.00
Rent Paid:		
Mrs. M. Mishra	21.48	21.48
Kavita Marketing Pvt. Ltd.	3.30	3.30
Duncans Tea Ltd.	2.83	2.83
Total	27.61	27.61

C) CLOSING BALANCE OF RELATED PARTY

Particulars	As at March 31, 2022	As at March 31, 2021
Remuneration Due		
Mr. G.P. Goenka	169.00	169.00
Mr. M. Mishra	94.26	70.45
Mr. Sandeep Rastogi	-	0.23
Mr. Saurabh Arora	0.76	0.73
Total	264.02	240.41
Consultancy Fee Due		
Mr. G.P. Goenka	24.30	22.50
Rent Payable		
Duncans Tea Ltd.	1.00	-
Kavita Marketing Pvt. Ltd.	0.83	-
Mrs. M. Mishra	2.98	2.98
Security Deposit given		
Mrs. M. Mishra	14.00	14.00
Kavita Marketing Pvt. Ltd.	35.00	35.00
Total	49.00	49.00
Interest Payable		
ISG Traders Limited	6.77	6.77
Security Deposit received		
ISG Traders Limited	5.00	5.00
Investment in shares		
ISG Traders Limited	1,902.91	1,902.91

40.1 The above related party information is as identified by the management and relied upon by the auditor.

41. SEGMENT REPORTING

a). The Company operates mainly in one business segment viz Paper being primary segment and all other activities revolve around the main activity. The secondary segment is geographical, information related to which is given as under :

Particulars	2021-22			2020-21		
	Within India	Outside India	Total	Within India	Outside India	Total
Sales (gross)	32,177.54	301.01	32,478.55	22,867.54	130.70	22,998.24
Non-Current Assets other than financial instruments	42,563.73	-	42,563.73	42,710.93	-	42,710.93

b). Sales to Three Customers of the Company is Rs.11900.91 Lacs (Previous Year Rs.6962.02 Lacs) which is more than 10% of the Company's total turnover.



42. REVENUE FROM CONTRACTS WITH CUSTOMERS :

(a) With effect from 1st April 2018, Ind AS 115 "Revenue from Contract with Customers" supersedes Ind AS 18 "Revenue". The core principle of the new standards is that an entity should recognise revenue when the control of the goods or services underlying the particular performance obligation is transferred to customers. The said Transition does not have any significant effect on the financial statement of the Company.

(b) Disaggregated revenue information (Refer Note No. 40)

(c) Contract Balances

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables	601.04	32.60
Contract Liabilities	211.43	338.16

Trade Receivables are generally non-interest bearing on agreed payment terms and interest is charged beyond agreed terms. Contract liabilities include advances received against delivery of Paper. The Performance obligation in relation to revenue recognition arising from contract with customer is satisfied upon customer's clearance of goods sold.

(d) Reconciling the amount of revenue recognised in the statement of Profit & Loss with the contracted price :

Particulars	As at 31st March, 2022	As at 31st March, 2021
Revenue as per the Contracted Price	34267.16	24315.90
Customer Claim / Discount	(1190.35)	(883.46)
Quality Rebates, Incentive etc.	(598.26)	(434.20)
Revenue from Contract with Customers	32478.55	22998.24

43. PARTICULARS OF LOANS GIVEN, GUARANTEE GIVEN OR SECURITY PROVIDED AND INVESTMENT AS PER SECTION 186 (4) OF THE COMPANIES ACT, 2013.

Particulars	As at 31st March, 2022	As at 31st March, 2021	Purpose
Loan given to Emperor Commercial and Tradco Pvt. Ltd. @11 % Interest*	45.00	45.00	Short term investment of surplus funds

* The Company made provision for doubtful loan for Rs. 45 Lakhs in current year

44. FAIR VALUE MEASUREMENTS FOR BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

The following table gives the information about how the fair value of the biological assets were determined:

Biological Asset	As at	As at	Fair value hierarchy	Valuation techniques and key inputs
	31-Mar-22	31-Mar-21		
Unharvested clonal plants	13.11	4.64	Level 2	Fair value is being arrived at based on the observable market prices of clonal plants. The same is applied on the quantity of the clonal plants unharvested using average plucking in various fields.

45. The financial risk associated to agriculture would include climate change, price fluctuation and input cost increases. Being dependent on rainfall, any shortfall would directly impact the production. The sale of clonal plant is largely through the farmer system, any price fluctuation would impact profitability. Increased wages also has a direct impact on the cost of production because of labour intensive nature of the business operations. Management is continuously monitoring all the above factors. Investment in irrigation, a planned replanting programme to ensure higher yields and improving efficiency of labour and modernisation are some of the measures taken by the management to mitigate the risks."

46. Figures have been given in Rupee lakhs and have been rounded off to two decimal places.

47. Additional regulatory information, pursuant to amendment in Schedule III of the Companies Act , 2013 Dated 24.03.2021, has been given to the extent applicable to the company.

48. RATIO ANALYSIS (RS. IN LACS)

Particulars	As at 31st March, 2022	As at 31st March, 2021	% Change from Previous Year
(i) Current Ratio (Current Assets/Current Liabilities) (in times)	4.27	3.43	24%
Current Asset	22489.11	20187.62	
Current Liabilities	5272.27	5881.21	
(ii) Debt-Equity Ratio (Total Debt/Total Equity)	-	-	
(Not Applicable due to no debts)			
(iii) Debt Service Coverage Ratio (DSCR) (Earning Available for Debt Service/Debt Service)	-	-	
(Not Applicable due to no debts)			
(iv) Return on Equity (ROE) (Net Profit after Tax less Preference Dividend/ Average Shareholder's Equity) (in%)	7%	3%	133%
Net Profit after Tax	3664.81	1751.59	
Average Shareholder's Equity			
Shareholder's Equity excluding OCI at the Beginning of the Year	51876.37	50517.15	
Shareholder's Equity excluding OCI at the End of the Year	55169.21	51876.37	
Average Shareholder's Equity (b)	53522.79	51196.76	
Explanation : Due to increase in sales			
(v) Inventory Turnover Ratio (ITR) (Sales/Average Inventory) (in times)	4.28	2.95	45%
Sales of Product	32478.55	22998.24	
Average Inventory			
Inventories at the Beginning of the Year	7644.64	7953.29	
Inventories at the End of the Year	7525.75	7644.64	
Average Inventory	7585.20	7798.97	
Explanation : Due to increase in sales			
(vi) Trade Receivable Turnover Ratio (Net Sales/ Trade Receivables) (in times)	54.04	70.55	-23%
Net Sales	32478.55	22998.24	
Trade Receivables at the End of the Year	601.04	32.60	
(vii) Trade Payable Turnover Ratio (Purchases/Trade Payables at the end of the Year) (in times)	4.97	3.35	48%
Purchases	14482.95	9790.54	
Trade Payables at the End of the Year	2915.61	2921.83	
Explanation : Due to increase in purchase			
(viii) Net Capital Turnover Ratio (Net Sales/Working Capital) (in times)	1.89	1.61	17%
Net Sales of Product	32478.55	22998.24	
Working Capital (Current Assets Less Current Liabilities)	17216.84	14306.41	
(ix) Net Profit Ratio (Net Profit/Net Sales) (in%)	11%	8%	48%
Net Profit	3664.81	1751.59	
Net Sales of Product	32478.55	22998.24	
Explanation : Due to increase in sales			
(x) Return on Capital Employed (Earning before Interest and Tax/Capital Employed) (in%)	8%	4%	77%



Earning before Interest and Tax			
Profit before Tax	4419.66	2488.15	
Add: Interest Expenses	47.35	57.97	
Earning before Interest and Taxes (a)	4467.01	2546.12	
Capital Employed			
Tangible Net Worth (Equity less OCI and Intangible Asset)	50233.02	50315.54	
Add: Total Debt	0.00	0.00	
Add: Deferred Tax Liability	7006.45	7275.56	
Capital Employed (b)	57239.47	57591.10	
Explanation : Due to increase in sales			
(xi) Return on Investment (Income from Investment/Value of Investment) (in%)	4%	7%	-41%
Income from Investment			
Increase/(Decrease) in Market Value of Investment (Unrealised)	323.30	492.94	
Profit on sale of Investment (realised)	0	30.03	
Total Income from Investment (a)	323.30	522.97	
Weighted Value of Investment	7893.07	7512.52	
Explanation : Due to Share Market Fluctuation			

49. Method of computation of cost for the purpose of valuation of wood (raw material) has been changed from FIFO to weighted average Method resulting in increase of consumption and decrease in profit of Rs. 69.15 Lakhs for current year.

50. Satisfaction of charge of Rs. 2900 Lakhs created with Bank of Baroda against book debt, Floating charge, Moveable property is yet to be satisfied with ROC since letter of satisfaction of charge on bank Guarantee which is fully covered with fixed deposit is yet to be received from bank.

51. Insurance Claim of Loss against damage to stock, building and plant & machinery etc. due to fire and storm at factory including claim for loss of profit is yet to be finalised by insurance company. (amount not yet ascertained by the insurance company)

52. STRUCK OFF COMPANIES BALANCES

Share Held By the Struck off Companies

Name Of Companies	Balance outstanding as at 31.03.2022 (No. of share)	Balance outstanding as at 31.03.2021 (No. of share)	Relationship with struck off companies
EZRA TRADING & FINANCE CO LTD	200	200	Not A Related Party
RAJDARSHAN CONSULTANTS & EXECUTORS PVT LTD	100	100	
AAKRITI FINVEST PVT LTD	100	100	

53. Previous year's figures have been regrouped/reclassified to conform with current year presentation wherever considered necessary.

As per our report of even date

For Jain Pramod Jain & Co.

Chartered Accountants

On behalf of the Board,

(P.K. Jain)

Partner

Shiromani Sharma

Chairman

C.M. Vasudev

Shrivardhan Goenka

Sunil Srivastav

Pragya Jhunjhunwala

Directors

Place : New Delhi

Date : 27th May, 2022

Saurabh Arora

Company Secretary

Sanjeev K. Garg

Chief Financial Officer

Madhukar Mishra

Managing Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

		(Rs. In Lakhs)	
	Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
A.	Cash Flow from the Operating Activities		
	Net Profit/(Loss) before Tax and Exceptional Items	4419.66	2488.15
	Adjustments for:		
	Depreciation and Amortization expenses	536.17	523.38
	Loss/(Profit) on sale of Property Plant & equipment	(9.15)	(0.23)
	Provision for doubtful debts written back	(3.78)	-
	Profit on sale of current investment	-	(30.03)
	Foreign Exchange Fluctuations	0.07	(0.27)
	Fair Value Adjustment	(328.04)	(493.67)
	Provision of doubtful advances	45.00	-
	Interest Received	(138.84)	(85.00)
	Finance Costs	47.35	57.97
	Operating Profit before Working Capital changes	4,568.44	2,460.30
	Adjustments for:		
	Change in Financial Assets, Non-Current Assets & Other F.A	(423.73)	(175.06)
	Change in Inventories & Biological Assets	118.89	308.65
	Change in Trade Receivables	(568.44)	327.27
	Change in Financial & Other Liabilities & Trade Payables	(684.53)	633.91
	Change in Provisions	(163.42)	(139.84)
	Cash generated from Operations	2,847.21	3,415.22
	Income Tax (Paid)/Refund (Net)	(980.03)	(560.85)
	Net Cash from the Operating Activities	1,867.18	2,854.37
B.	Cash Flow From Investing Activities		
	Purchase of Property Plant & equipment	(232.44)	(615.73)
	Investments	(1,600.00)	-
	Sale of Property Plant & equipment	36.66	0.64
	Interest Income	139.66	59.29
	Other Bank Balance: Deposits within 3 to 12 Months Maturity	310.47	(1,968.24)
	Net Cash from Investing Activities	(1,345.65)	(2,524.04)
C.	Cash Flow from the Financing Activities		
	Repayment of lease liabilities	(56.39)	(54.25)
	Dividend Paid	(390.21)	(390.21)
	Interest Paid	(42.59)	(51.31)
	Net Cash From Financing Activities	(489.19)	(495.77)
	Net Increase/(Decrease) in Cash Equivalents	32.34	(165.44)
	Cash and Cash Equivalents at the Beginning of the Year	400.65	566.09
	Cash and Cash Equivalents at the End of the Year	432.99	400.65

**Notes:**

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in IND AS - 7.
- 2 Previous year's figures have been regrouped wherever necessary to confirm to this year's classification

3 Cash & Cash Equivalent includes:**(Rs. in lacs)**

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Balances with Banks		
-in Current Accounts	430.35	396.73
-Short term Deposits	-	-
Cash in Hand	1.76	3.92
Cheques/Drafts on hand	0.88	-
	432.99	400.65

As per our report of even date
For Jain Pramod Jain & Co.
Chartered Accountants

On behalf of the Board,

(P.K. Jain)
Partner

Shiromani Sharma
Chairman

C.M. Vasudev
Shrivardhan Goenka
Sunil Srivastav
Pragya Jhunjunwala
Directors

Place : New Delhi
Date : 27th May, 2022

Saurabh Arora
Company Secretary

Sanjeev K. Garg
Chief Financial Officer

Madhukar Mishra
Managing Director



STAR PAPER MILLS LIMITED

Registered Office : Duncan House,
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Kolkata-700 001