



*Nurturing Growth*

**STAR PAPER MILLS LIMITED**  
Annual Report 2023-24

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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

Mr. Shiromani Sharma  
Chairman/Independent  
Director

Mr. Shrivardhan Goenka  
Non-independent Director

Mr. C.M. Vasudev  
Independent Director

Mr. Madhukar Mishra  
Managing Director

Mrs. Pragya Jhunjunwala  
Non-Independent Director

Dr. (Mrs.) Sheela Bhide  
Independent Director

Dr. R.C. Lodha  
Independent Director  
(w.e.f. 24th May, 2024)

## STATUTORY AUDITORS

M/s Lodha & Co.,  
Chartered Accountants, Kolkata

## COST AUDITORS

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

## SECRETARIAL AUDITOR

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

Mr. Sanjeev K. Garg  
Chief Financial Officer

Mr. Saurabh Arora  
Company Secretary

## BANKERS

Bank of Baroda, Punjab National Bank  
ICICI 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, Serilingampally,  
Hyderabad - 500 032, (Telangana)  
Ph.: 040- 6716 2222  
Toll Free: 1800-309-4001  
e-mail : einward.ris@kfintech.com



# Management Discussion & Analysis Report

## GLOBAL ECONOMY

The aftermath of the COVID-19 pandemic and ongoing Russia-Ukraine war has exposed cracks in societies that are being further strained by episodic upheaval. Political strife and violent conflicts, from Niger and Sudan to Gaza and Israel, have captured the attention and apprehension of populations worldwide in some instances while attracting little focus in others. Yet the global system has thus far proved surprisingly resilient against such events.

Continued efforts by all the developed Economies to rein in inflation is leading to slower Growth rates. Policy interventions in China to accelerate Economic activity have not yet had desired impact.

There are elections in a number of Countries taking away leadership focus from Economic to Political issues. Overall Economic activity level is therefore expected to remain subdued in the near term.

## INDIAN ECONOMY & PAPER INDUSTRY

With strong macroeconomic fundamentals, robust domestic demand, fiscal discipline, and favourable demographic trends, India is now the fifth-largest economy in the world.

At the projected growth rate, India will continue to be fastest growing major Economy in the World.

This will naturally lead to higher Demand, growth in individual Incomes and enhanced level of private and Public Investments

## SWOT ANALYSIS

### Strengths:

As per-capita consumption of paper in India is very low as compared to Global average, there is ample scope and opportunity for Growth. Sensitivity to climate change and efforts to reduce plastic consumption will lead to new uses for Paper boosting demand Globally.

### Weaknesses:

Scarcity of wood leading to continued increase in raw material prices, higher cost of capital, competition from cheaper imports are the major weaknesses of the Industry.

### Opportunities:

Notwithstanding Global headwinds, India remains the fastest growing major economy on the strength of its strong domestic demand to serve its massive population.

On the back of globalisation, favourable demographics, reforms, investments and increased Government spending provide ample opportunity to the Industry to grow in the near term. Further increased usage of paper and an effective ban on single-use plastic will provide growth opportunities to the Industry.

### Threats:

Imports from low cost producing countries with which India has Free Trade Agreements has emerged as a major threat .Increasing digitalisation will lead to some substitution away from Paper. Further, current Geo-political tensions are a big potential threat to the future growth of economies across the Globe.

## SOCIAL FARM FORESTRY

The Company's social farm forestry program has been a driver for re-generation of green cover. The program is of immense importance to rural economy and facilitates availability of raw material to the company. As in the past, momentum of Social Farm Forestry Program was maintained during the year too with the help of farming community. Your company enabled plantations of approx 43.86 lacs seedlings during FY 2023-24.

## RISKS & CONCERN

Risks and uncertainties are an inherent part of every business. It is equally important to identify the risks and take proactive steps to mitigate them. Unanticipated global shocks, supply chain disruptions and weather shocks that impact agriculture output are key risks to India's economic outlook. Rising wood prices, absence of enabling policies on Captive Plantations , Market risks, competition from imports are some of the risks associated with the company's business.

Your company identifies and evaluates various risks associated with the organization and takes appropriate preventive measures to the extent possible.

## INTERNAL CONTROL SYSTEM

The Company has established adequate internal control systems, which provide reasonable assurances with regard to safeguarding Company's assets, promoting operational efficiencies and ensuring compliance with various statutory provisions. The company periodically reviews Internal control systems and procedures to ensure conduct of business effectively and efficiently. Internal control system ensures:

- Accurate recording of transactions with internal checks and prompt reporting.
- Adherence to applicable accounting standards.
- Periodic review to effectively manage working capital.

## KEY FINANCIAL RATIOS

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

Particulars	2023-24	2022-23
Operating Profits Margin (%)	18.8	19.5
Net Profits Margin (%)	14	13
Debtors Turnover ratio (No. of times) (Decrease in sales for FY 2023-24 vis-a-vis previous year resulted in decrease in ratio)	114	189
Stock Turnover ratio (No. of times) (Decrease in sales and increase in inventory for FY 2023-24 vis-a-vis previous year resulted in decrease in ratio)	4.22	5.65
Debt-Equity ratio (%) (Increase in total equity resulted in decrease in ratio)	0.01	0.02
Current ratio (No. of times)	6.20	5.25
Interest-Service Coverage Ratio	NA	NA
Return on Networth (%)	10%	12%

## HUMAN RESOURCES

Your company considers the human resources as its invaluable asset. The company conducts from time to time training programs with the purpose of creating opportunities for employees to enhance their skills and work-efficiency. Industrial relations remained cordial throughout the year under review. The company executed long-term wage agreement with Workers' Union in Jan., 2024 covering a 5 year period (1<sup>st</sup> Apr., 2023 to 31<sup>st</sup> March, 2028). There are 380 employees on the company's roll.

## FUTURE OUTLOOK

Indian Paper Industry is expected to grow in line with rest of the Economy. Paper products are used in education, health-

- Review of capital investments and long term business plans.
- Compliance with applicable statutes, policies and listing regulations.
- Effective use of resources and safety of assets.

## FINANCIAL PERFORMANCE

Your company reported satisfactory Financial and operational results for the financial year 2023-24 amid various challenges and constraints. The company achieved a turnover of Rs. 444.47 Crores for the year 2023-24 vis-a-vis Rs. 492.69 Crores for the preceding year. The Profit after tax (PAT) for the year stood at Rs. 64.00 Crores as against Rs. 65.67 Crores for FY 2022-23.

care, food & drink, trade, communication, E-commerce, packaging etc. Reduction in use of non -recyclable materials would open up further opportunities for Paper Industry. However we need to guard against indiscriminate Imports under FTAs.

## 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 the company is pleased to present the Directors' Report together with Audited Financial Results of your company for the financial year ended on 31<sup>st</sup> March 2024.

## 1. FINANCIAL HIGHLIGHTS

Audited financial results for the financial year ended on 31<sup>st</sup> March, 2024 are summarised below:

### AUDITED FINANCIAL RESULTS

(₹ in Crores)

Particulars	FY ended 31 <sup>st</sup> March, 2024	FY ended 31 <sup>st</sup> March, 2023
Profit before interest and depreciation	88.98	101.43
Interest and finance charges	0.84	0.56
Depreciation	5.44	5.28
Profit before Exceptional Items	82.70	95.60
Exceptional & non-recurring items	(1.80)	(12.26)
Profit before tax	80.90	83.34
Provision for Income Tax	16.90	17.67
Profit after tax (PAT)	64.00	65.67
Earning per share (EPS)- in Rupees	41.01	42.08

## 2. DIVIDEND & TRANSFER TO RESERVES

Considering the financial performance of the company for the financial year 2023-24 and the current scenario of the Industry, the Board of Directors is pleased to recommend a dividend of Rs. 4/- per equity share (40%) of Rs. 10/- each for the year ended 31<sup>st</sup> March, 2024 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 2023-24:

The year 2023-24 witnessed sluggish product demand and intense market competition especially from imports. Global Pulp and Paper Prices ruled lower than previous year leading to decline in domestic realisations too.

At the same time Wood prices surged due to demand from construction and other sectors leading to higher Input costs.

However, reduction in coal prices provided some respite.

There was an incidence of fire in one of the Wood Yards (outside Mills compound) in Dec., 2023. The loss of wood due to fire is covered under Insurance and claim has been lodged. There was no human casualty due to above accident.

Amid various challenges and fierce competition, your company reported a Profit after tax (PAT) of Rs. 64.00 Crores for the year 2023-24 as against Rs. 65.67 Crores for FY 2022-23.

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 2024-25:

Pressure on margins due to intense competition on demand side and rising wood prices is expected to persist for some

time. However, going forward volume growth is expected in line with a buoyant Economy.

#### 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/pdf/ann\\_return\\_2324.pdf](https://starpapers.com/pdf/ann_return_2324.pdf)

#### 5. BOARD MEETINGS/AUDIT COMMITTEE

a) During the year ended 31<sup>st</sup> March, 2024, four (4) meetings of the Board of Directors were held on 29<sup>th</sup> May, 2023, 11<sup>th</sup> Aug., 2023, 9<sup>th</sup> Nov., 2023 and 9<sup>th</sup> Feb., 2024.

#### 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 2023-24.

#### 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

STAR is committed to provide safe working conditions and healthy environment to its stakeholders. Your company is accredited with IS/ISO 9001:2015, IS/ISO 14001: 2015, and IS/ISO 45001:2008 which signifies adoption of integrated quality, environment and safety management systems to harmonize Industrial activities with environmental

preservation with letter and spirit. As required under the law, your company has the requisite environmental clearances from the Government .

Your company has been conferred the following awards during the year 2023-24:

- i) Par Excellence and Gold Awards in 37<sup>th</sup> National and 48<sup>th</sup> International Quality Circle Conventions respectively organized by Quality Circle Forum of India, Hyderabad.
- ii) Platinum Award in Apex India Green Leaf Award 2023 for water stewardship by Apex India Foundation.
- iii) Award for outstanding achievement in ensuring Environment Excellence in 23<sup>rd</sup> Annual Greentech Environment Awards, 2023 organized by Greentech Foundation.

#### 9. SOCIAL FARM FORESTRY

Your company has been promoting and encouraging tree plantation program under social farm forestry for many years now. This not only facilitates sustained availability of Wood but also enhances rural Incomes. The program involves supply of high quality clones/seedlings apart from providing technical assistance to the farmers in the catchment areas.

The program maintained its momentum during the year too and your company further stepped-up propagation and distribution of clonal plants and the area coverage. Your company enabled plantations of approx 43.86 lacs seedlings during the year.

#### 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 31<sup>st</sup> March, 2024. (Rs. Nil as on 31<sup>st</sup> March, 2023).

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.





During the year, no instance of any fraud was 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 <https://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 31<sup>st</sup> March, 2024 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 re-appointment as a Director of the company
- ii) Dr. (Mrs) Sheela Bhide (DIN-01843547) has been appointed as Independent Director of the company w.e.f 7<sup>th</sup> April, 2023 to 6<sup>th</sup> April, 2028 for a period of five consecutive years.

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 [https://www.starpapers.com/familiarisation\\_prog.pdf](https://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](https://www.starpapers.com).

## 15. LOAN, GUARANTEE, INVESTMENTS ETC.

The particulars of loan, guarantees or investments under section 186 of the Companies Act, 2013 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 2023-24:

Sr. No.	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	459.88	Contractual	B. Sc., DMS (Mgt.) 44 years	01/07/2001	67 years	Sr. VP (Corporate Planning)-Dail Consultants Ltd.	Nil	No

\*including employer's provident fund contribution.

- 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. Shiromani Sharma	4,00,000	3,81,166	1.05
Mr. Shrivardhan Goenka	4,00,000	3,81,166	1.05
Mr. C.M. Vasudev	3,60,000	3,81,166	0.94
Mrs. Pragya Jhunjunwala	1,60,000	3,81,166	0.42
Dr. (Mrs) Sheela Bhide	2,40,000	3,81,166	0.63
Mr. Madhukar Mishra	4,59,87,845	3,81,166	120.65

- b) % increase in remuneration of each director, CEO, CFO, CS in the financial year 2023-24

Official name	Year 2023-24 Remuneration-Rs. In lacs	% increase in remuneration
Directors	Non-executive Directors are receiving only sitting fees for attending meetings @ Rs. 40,000/- per Board/Committee meeting.	
Managing Director	459.88	12.7%
Chief Financial Officer	38.83	10.5%
Company Secretary	22.00	31.3%

- c) % increase in median remuneration of employees in the financial year 2023-24 vis-a-vis the preceding year was 6.8%.
- d) There were 380 permanent employees on the rolls of the company as on 31.03.2024.
- 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.
- f) Average percentage increase in salaries of employees vis-a-vis managerial personnel - Average percentage increase in salaries of employees was 16% vis-a-vis 18% in salary of managerial personnel for FY 2023-24.
- g) 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 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

The company has a structured approach to manage its human assets as per the emerging needs of the company. Industrial relations remained cordial during the year 2023-24.

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 their 83<sup>rd</sup> Annual General Meeting held on 21<sup>st</sup> Sept., 2022 appointed M/s Lodha & Co., Chartered Accountants, Kolkata as statutory auditors of the company to hold office from the conclusion of 83<sup>rd</sup> AGM till the conclusion of 88<sup>th</sup> AGM of the company.

## 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 2023-24.

## 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 2023-24. 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 2023-24.

## 29. ACKNOWLEDGEMENT

The Board of Directors place on record their gratitude for valuable support and contribution of all the Stakeholders viz., employees, bankers, investors, customers, suppliers and the Government Departments during the year 2023-24.

For and on behalf of the Board

**Shiromani Sharma**  
Chairman

Place : New Delhi  
Date : 24th May, 2024

## Annexure-I to Directors' Report

### Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2023-24

- |  |   |
|--|---|
| 1. A brief outline of the Company's CSR Policy   | Please refer to Section Corporate Social Responsibility in the Directors' Report.                         |
| 2. Composition of CSR Committee-   | As provided in Corporate Governance Report  |
| 3. Provide the web-link where composition of CSR Committee<br>CSR Policy, CSR projects approved by the board are disclosed on web-site of the company-                         | <a href="https://starpapers.com/investor-relation.html">https://starpapers.com/investor-relation.html</a> |
| 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. 15.86 lacs  |
| 6. Average net profit of the Company as per section 135(5)-  | Rs. 4722 lacs   |
| 7 (a) Two percent of average net profit of the company as per section 135(5)-  | Rs. 94.45 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-  | Nil   |
| (d) Total CSR obligation for the financial year (7a+7b-7c)-  | Rs. 94.45-15.86=78.59 lacs  |
| 8 (a) CSR amount spent or unspent for the financial year:  |   |

Total amount spent for the FY 2023-24	Amount unspent (in Rs.)				
	Rs. 100.50 lacs	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. No.	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-in Lacs	Mode of implementation -Direct (Yes/No)	Mode of implementation through implementing Agency-Name and CSR Registration number
1	Measures to help reducing hunger & mal-nutrition, promoted healthcare including preventive healthcare through various camps and awareness programmes.	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)	23.87	Yes	N.A
2	Skill training for employment enhancing capabilities to students, promoting education 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.	Yes	-do-	55.96	Yes	N.A
3	Promoting gender equality, woman empowerment, distribution of sanitary napkins and care for senior citizen and economically backward people.	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-	6.39	-do-	N.A
4	Distribution of environment friendly cotton bags to avoid polythene usage	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-	8.86	-do-	N.A
4a	Animal (Cow) welfare	Animal Welfare	No	Mathura-UP	3.00	No	CSR00015847
5	Restoration/renovation of building and site of historical importance, works of art	Protection of national heritage, art and culture including restoration of building and site of historical importance, works of art	Yes	Saharanpur (UP)	2.42	Yes	N.A

(d)	Amount spent in Administrative Overheads-	NIL
(e)	Amount spent on impact assessment, if applicable-	N/A
(f)	Total amount spent for the financial year (8b+8c+8d+8e)-	Rs. 100.50 Lacs
(g)	Excess amount for set-off for, if any-	Rs. 21.91 Lacs (15.86+6.05)

Sl. No.	Particulars	Amount-Rs. In Lacs
(i)	Two percent of average net profit of the company as per section 135(5)	94.45
(ii)	Total amount spent for the financial year	100.50
(iii)	Excess amount spent for the financial year 2023-24 [(ii)-(i)]	6.05
(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 2023-24 [(iii)-]	6.05
(vi)	Total amount available for set-off in succeeding years.	21.91

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

For and on behalf of the Board

**Madhukar Mishra**  
Managing Director  
24<sup>th</sup> May, 2024

**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:

- Commissioning of Modern steam traps for PM-I and PM-IV MG condensate lines.
- Replacement of PM-I DC drive and motor with AC drive and motor.

- Replacement of Evaporator 6<sup>th</sup> effect tubes.

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

- Installation of DCS for PM-II condensate system.
- Installation of medium consistency centri-cleaning system for Paper Machine-II.



**III. The projects given in I. & II. above involved a cost of approximately Rs. 93.26 lacs & Rs. 166.90 lacs respectively. 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:**

- Nil-

**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 2023-24:

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

- a) Development of new varieties of Packaging Paper.
- b) Development of new varieties of high strength Packaging Paper such as SS Ribbed Kraft Super.
- c) Development of Specialty Colour Paper.
- d) Development of Food Grade OGR Paper.
- e) Development of new shades of Industrial Grade of paper Star Atlas for Honey Comb.
- f) Exploration of new species of Pulp wood.

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

- a) Improved market share in special grades, high strength and food grade paper.
- b) Improved process of paper making along with cost reduction.

**3. Future Plan of Action**

- a) Development of new grades/varieties of paper.
- b) Optimization of water, fiber losses and energy consumption.
- c) Optimization of paper making chemicals.
- d) Development of new vendors for cost reduction.

**4. Expenditure on R&D- Rs. in lacs**

a) Capital	Nil
b) Revenue	189.86
c) Total	189.86
d) R&D Expenditure as a percentage of total Turnover	0.42%

**II. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**

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

Installation of High Rate Solids Contact Clarifier (HRSCC) Tertiary treatment system to further improve effluent characteristics. HRSCC operation is easy & less sensitive to feed parameter variation. This system is largely automated requiring minimum manual interventions.

**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. 227.55 Lacs
Outgo-	Rs. 130.93 Lacs

For and on behalf of the Board

Place : New Delhi  
Date : 24<sup>th</sup> May, 2024

**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 31<sup>st</sup> March, 2024 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 31<sup>st</sup> March, 2024.
- (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 : 24<sup>th</sup> May, 2024

**Shiromani Sharma**  
Chairman





## Annexure-IV

### CORPORATE GOVERNANCE REPORT

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

The Board of Directors of your company is pleased to present the Corporate Governance Report for the financial year ended 31<sup>st</sup> March, 2024.

#### I. Company's philosophy on Corporate Governance

The Company's philosophy on Corporate Governance

is to make an earnest endeavour for increased level of transparency, accountability and fairness in all its dealings with customers, suppliers, shareholders, lenders, government departments and employees. In widest sense, your Company believes that its primary responsibility is to adhere and enforce sound principles of good corporate governance.

#### II. Board of Directors

The directors in the Board of your company are eminent persons with vast knowledge and expertise in the fields of business, management & administration, finance, law, marketing, branding, information technology and governance.

##### (a) Composition

The Board has an Independent Chairman other than two Independent directors. Further, there are two Non-executive; non-independent directors and a Managing Director.

The composition of the Board of Directors as on 31<sup>st</sup> March , 2024 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
<b>Non-Executive Directors</b>				
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	3 (M)	Nil
Dr. (Mrs) Sheela Bhide DIN: 01843547	Independent Director	1	Nil	Ahluwalia Contracts (India) Limited (Independent Director)
Mrs. Pragya Jhunjhunwala DIN-02315132	Non-executive; non-independent Director	Nil	Nil	Nil
<b>Executive Director</b>				
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.

There is no relationship between the directors of the company inter-se except that Mr. Shrivardhan Goenka is son of Mr. G.P. Goenka, 'Chairman Emeritus' of the company and as such they are related to each other. The company's familiarization program for Independent Directors are posted on the website of the company and can be accessed at [https://www.starpapers.com/pdf/familiarisation\\_prog.pdf](https://www.starpapers.com/pdf/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 31<sup>st</sup> March, 2024, four (4) meetings of the Board of Directors were held on 29<sup>th</sup> May, 2023, 11<sup>th</sup> Aug., 2023, 9<sup>th</sup> Nov., 2023 and 9<sup>th</sup> Feb., 2024.

**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	No	Nil
Mr. Shrivardhan Goenka	4	Yes	45,500
Mr. C.M. Vasudev	4	Yes	Nil
Dr. (Mrs) Sheela Bhide	4	Yes	Nil
Mr. Madhukar Mishra	4	Yes	Nil
Mrs. Pragya Jhunjhunwala	4	Yes	Nil

A meeting of Independent Directors was held on 7<sup>th</sup> Dec, 2023 for the financial year 2023-24. All Independent Directors were present at that 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 of Board members in context of company' 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 as served as Chairman of HDFC Bank Ltd. -Dr. (Mrs) Sheela Bhide, Independent Director. She is retired IAS officer. She had served Government of Andhra Pradesh and Government of India in various assignments over a period of 36 years. -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.



Corporate Governance	-Mr. Shiromani Sharma, Independent Director. -Mr. C.M. Vasudev, Independent Director. -Dr. (Mrs) Sheela Bhide, Independent Director. -Mr. Shrivardhan Goenka, Non-executive Director. -Mr. Madhukar Mishra, Managing Director. -Mrs. Pragya Jhunhunwala, Non-executive Director. She is Master in commerce and a fellow member of ICSI. She is also a start-up consultant and associated with many NGOs.
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### 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 31<sup>st</sup> March, 2024. 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 2023-24 are as under :

Sl. No	Name of the Director & Designation	Category	No. of meetings attended during FY 2023-24
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 year ended 31<sup>st</sup> March, 2024, four meetings of the Audit & Risk Management Committee were held on 29<sup>th</sup> May, 2023, 11<sup>th</sup> Aug., 2023, 9<sup>th</sup> Nov., 2023 and 9<sup>th</sup> Feb., 2024.

#### (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, dematerialization/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 2023-24 are as under.

Sl. No	Name of the Director & Designation	Category
1.	Mr. Shiromani Sharma - Chairman	Non- Executive, Independent
2.	Mr. Madhukar Mishra-Member	Executive
3	Mr. Shrivardhan Goenka-Member	Non- Executive, Non-Independent

During the financial year ended 31<sup>st</sup> March, 2024, one meeting of Stakeholders' Relationship Committee was held on 9<sup>th</sup> Feb., 2024. All members of the Committee was present in the meeting.

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

**Shareholders Complaint(s)**

During the year 2023-24, twenty one (21) investor-complaints were received and satisfactorily resolved. There is no pending complaint at the end of the financial year.

**(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 2023-24 are as under:

Sl No	Name of the Director & Designation	Category
1	Mr. C.M. Vasudev- Chairman	Non- Executive, Independent
2	Mr. Shiromani Sharma - Member	-do-
3	Mr. Shrivardhan Goenka - Member	Non- Executive, Non-independent

During the financial year ended 31<sup>st</sup> March, 2024, one meeting of Nomination and Remuneration Committee was held on 5<sup>th</sup> April, 2023 thru circulation with assent of all the members.

**(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
1	Mr. Shrivardhan Goenka-Chairman	Non- Executive, Non Independent
2	Mr. Madhukar Mishra-Member	Executive
3	Dr. (Mrs) Sheela Bhide - Member	Non- Executive, Independent

During the financial year ended 31<sup>st</sup> March, 2024, one meeting of CSR Committee was held on 9<sup>th</sup> Feb., 2024. All members of the Committee was present in the meeting.

## 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 31<sup>st</sup> March, 2024 are as under:

(Rs.)

Director	Salary#	Perquisites and other benefits##	Sitting Fees	Total
Mr. Shiromani Sharma	-	-	4,00,000	4,00,000
Mr. Shrivardhan Goenka	-	-	4,00,000	4,00,000
Mr. C.M. Vasudev	-	-	3,60,000	3,60,000
Mrs. Pragya Jhunhunwala	-	-	1,60,000	1,60,000
Dr. (Mrs) Sheela Bhide	-	-	2,40,000	2,40,000
Mr. Madhukar Mishra	4,09,39,667	50,48,178	-	4,59,87,845
<b>Total</b>			<b>15,60,000</b>	<b>4,75,47,845</b>

# 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 <https://starpapers.com/pdf/policyparty.pdf> & policy on material subsidiary can be accessed at <https://starpapers.com/pdf/Polycymaterial.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.

(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. 12.05 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) have given requisite compliance certificate on financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2024.**

-Particulars of directors seeking appointment/re-appointment at the AGM have been given in Notice of the 85<sup>th</sup> AGM to be held on 25<sup>th</sup> Sept., 2024.

**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](http://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**

Ministry of Corporate Affairs vide its Circular 20/2020 dated 5<sup>th</sup> May, 2020, 02/2022 dated 5<sup>th</sup> May, 2022, 10/2022 dated 28<sup>th</sup> Dec., 2022 and Securities and Exchange Board of India vide its Circular dated 12<sup>th</sup> May, 2020, Circular dated 15<sup>th</sup> Jan, 2021, Circular dated 13<sup>th</sup> May, 2022 & Circular dated 5<sup>th</sup> Jan, 2023, permitted conduct of Annual General Meeting through VC/OAVM facility upto 30<sup>th</sup> Sept., 2024. Consequently, 85<sup>th</sup> AGM of the company will be held through Video Conferencing/ Other Audio Visual Means (VC/OAVM facility) as per below details:

**85<sup>th</sup> AGM through VC/OAVM facility**

Date & Time	Deemed venue	Book Closure Dates (both days inclusive)	Dividend payment date (if approved )
25 <sup>th</sup> Sept., 2024 11.30 AM	Regd. Office : Duncan House, 2 <sup>nd</sup> Floor, 31 Netaji Subhas Road, Kolkata- 700 001.	19.09.2024 to 25.09.2024	3 <sup>rd</sup> Oct., 2024 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.  
Toll free no.:1800-309-4001  
E-mail: [einward.ris@kfintech.com](mailto:einward.ris@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**

All activities related to share transfer as per Regulation 7(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are being maintained by Registrar and Share Transfer Agent: KFin Technologies Limited.

Pursuant to Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities cannot be transferred unless they are held in dematerialized form with a depository, except in case of transmission or transposition of securities. Further SEBI vide its Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 mandated that transmission, transposition, duplicates, renewal, exchange, subdivision, splitting,



consolidation shall be effected only in dematerialize form. SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, has mandated that holder of physical shares shall mandatorily furnish PAN, KYC and nomination details to the RTA without which RTAs shall not process any service request(s).

The Registrars and Share Transfer Agents process every fortnight requests for approving share transfers. The processing activities with respect to service requests received are completed within 10 days from the date of receipt of request. There were no shares pending for transfer as on 31<sup>st</sup> March, 2024.

#### Compliance certificate of the Auditors

-The company has obtained certificate from the secretarial 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 2023-24 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 31<sup>st</sup> March, 2024 has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI, MCA or any other statutory authority.

#### 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 31<sup>st</sup> March, 2024, a total of **1,55,26,130** shares of the Company, which form **99.47%** 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 INE 733A01018.

#### Distribution of Shareholding as on 31st March, 2024

Slab-Shs.	No. of Shareholders		No. of Equity Shares	
	Total	% of shareholders	Total	% to share capital
1-500	16527	92.43	1476447	9.46
501-1000	700	3.91	559567	3.58
1001-2000	326	1.82	502489	3.22
2001-3000	103	0.58	265821	1.70
3001-4000	48	0.27	171036	1.10
4001-5000	32	0.18	147004	0.94
5001-10000	68	0.38	483801	3.10
10001 and above	76	0.43	12002185	76.90
<b>Total</b>	<b>17880</b>	<b>100.00</b>	<b>15608350</b>	<b>100.00</b>

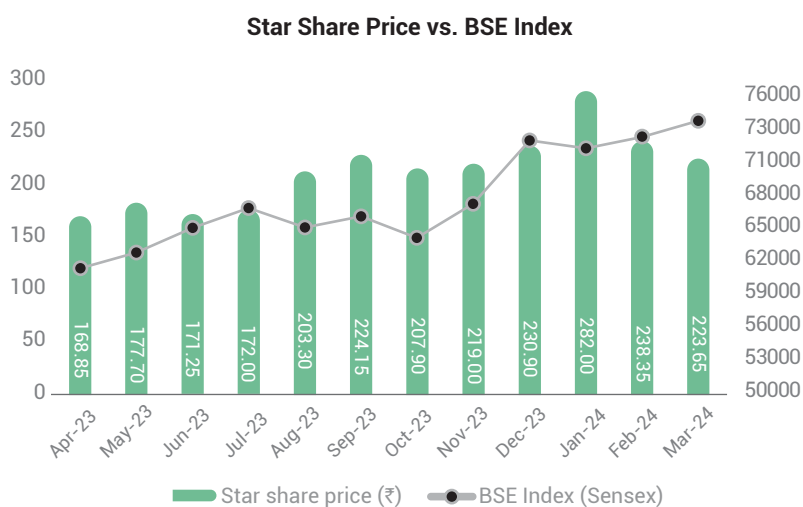
#### Category of Shareholders as on 31st March, 2024

Category	No. of Shares	% of Shareholding
Promoter Group	7012344	44.93
Financial Institutions/Banks	1591	0.01
Mutual Funds	0	0
Insurance Companies	300	0
Foreign Institutional Investors	264153	1.69
Non Resident Indian (NRI)	82775	0.53
Non Resident Indian-Non Repatriable	39379	0.25
Clearing Member (NSDL & CDSL)	515	0
Public - Bodies Corporate	1657510	10.63
- Individuals	5958590	38.18
- HUF	501715	3.21
- Others	89478	0.57
<b>Total</b>	<b>15608350</b>	<b>100.00</b>



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

Month	NSE		BSE	
	High	Low	High	Low
<b>2023</b>				
April	170.05	145.15	169.90	146.00
May	182.20	169.20	182.00	168.85
June	182.00	168.00	181.75	166.40
July	179.00	168.35	178.85	167.90
August	218.00	169.60	219.65	170.00
September	236.30	203.00	236.05	202.85
October	245.20	200.35	244.95	199.55
November	232.00	204.00	231.00	201.65
December	245.00	218.00	243.95	219.35
<b>2024</b>				
January	288.00	228.10	288.00	228.30
February	288.00	233.55	287.65	233.45
March	247.85	215.00	247.05	215.40



### 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 2023-24.

Registered Office :	Plant location :	Marketing & Sales office at :
Duncan House, 2 <sup>nd</sup> Floor 31, Netaji Subhash Road, Kolkata- 700 001	Seth Baldeodas Bajoria Road, Saharanpur-247 001, Uttar Pradesh.	2 <sup>nd</sup> Floor, Express Building, 9-10, B.S.Z Marg, New Delhi-110 008.

### Financial Calendar 2024-25

The next financial year of the Company is 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025.



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 <sup>th</sup> August
2.	Second quarter and half yearly results	Latest by 14 <sup>th</sup> November
3.	Third quarter results	Latest by 14 <sup>th</sup> February
4.	Fourth quarter & Annual results	Latest by 30 <sup>th</sup> May

### Details of Past Three Annual General Meetings

Year	Venue	Date & Time	Special resolutions passed (Y/N)
2022-23	Through VC/OAVM	22 <sup>nd</sup> Sept., 2023 11.30 AM	Nil
2021-22	-do-	21 <sup>st</sup> Sept., 2022 11.30 AM	Yes, i) To re-appoint Mr. Madhukar Mishra (DIN:00096112) as Managing Director of the company
2020-21	-do-	24 <sup>th</sup> Sept., 2021 11.00 AM	Nil

### Postal Ballot

a) Details of special resolution passed through postal ballot during the year 2023-24;

Particulars	To approve appointment of Dr. (Mrs) Sheela Bhide (DIN: 01843547) as Non-Executive Independent Director of the Company
Date of postal ballot notice	17 <sup>th</sup> April, 2023
Voting period	27 <sup>th</sup> April, 2023 to 26 <sup>th</sup> May, 2023
Date of approval	26 <sup>th</sup> May, 2023
Date of declaration of results	27 <sup>th</sup> May, 2023
Type of resolution	Special
No. of votes polled	72,82,584 (including abstain for 2 votes)
Votes cast in favour:	
-No. of votes	72,80,526
-% of votes	99.97%
Votes cast against	
-No. of votes	2056
-% of votes	0.03%

- b) Mr. Debabrata Dutt, FCS-5401, Prop. of M/s D. Dutt & Co., Company Secretaries, Kolkata was appointed as the Scrutinizer to scrutinize the Postal Ballot and remote e-voting process in a fair and transparent manner
- c) Presently, no special resolution is proposed to be conducted through postal ballot. The procedure laid down in the Companies (Management & Administration) Rules, 2014 would be followed as and when required.

### Credit rating

The company has been assigned Acuite A+ (stable) credit rating during the financial year 2023-24 by Acuite Ratings and Research Limited on Rs. 100 Crores proposed long term bank facilities.

**Sexual Harassment of Women**

During the year 2023-24, 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

**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 31<sup>st</sup> March, 2024.

Place: New Delhi  
Date: 24<sup>th</sup> May, 2024

**Madhukar Mishra**  
Managing Director

For and on behalf of the Board

Place : New Delhi  
Date : 24<sup>th</sup> May, 2024

**Shiromani Sharma**  
Chairman



# Certificate of Disqualification / Non-Disqualification of Directors

**(Pursuant to Regulation 34(3) and Schedule V, Para C, Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To

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

- We have been engaged by Star Paper Mills Limited [CIN: L21011WB1936PLC008726] having its Registered Office at Duncan House, 31, Netaji Subhas Road, Kolkata – 700 001 [hereinafter referred to as 'the Company'] whose equity shares are listed on BSE Limited [Scrip Code: 516022] and National Stock Exchange of India Limited [Symbol: STARPAPER] to issue a Certificate as required under Regulation 34(3) read with Schedule V, Para - C, sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the Company as produced before us for the purpose of issue of this Certificate.
- In our opinion and to the best of our information and according to the verifications [including status of Director Identification Number(s) (DIN) at the Portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. SHIROMANI SHARMA	00014619	29/06/1993
2.	Ms. PRAGYA JHUNJHUNWALA	02315132	25/06/2021
3.	Mr. SHRIVARDHAN GOENKA	00030375	09/09/2002
4.	Mr. MADHUKAR MISHRA	00096112	29/06/2001
5.	Mr. CHANDER MOHAN VASUDEV	00143885	22/06/2009
6.	Ms. SHEELA BHIDE	01843547	07/04/2023

- Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata

Date: 24<sup>th</sup> May, 2024

**For D. DUTT & CO.**

Company Secretaries

UNIQUE CODE NUMBER: I2001WB209400

**(DEBABRATA DUTT)**

Proprietor

FCS-5401

C.P. No. 3824

Peer Review Certificate No. – 2277/2022

UDIN: F005401F000436546

# Certificate regarding compliance of conditions of Corporate Governance

[Pursuant to Para E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members of  
Star Paper Mills Limited

1. We, have examined the compliance of conditions of Corporate Governance by Star Paper Mills Limited ('the Company') for the year ended on 31<sup>st</sup> March, 2024 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['the Listing Regulations'] as amended upto date pursuant to the Listing Agreement of the Company with the Stock Exchanges.

## Management's Responsibility:

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

## Practising Company Secretary's Responsibility:

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

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

5. We have examined the extract of relevant records and documents maintained by the Company and communicated to us through electronic mail for the

purposes of providing reasonable assurance on the compliance with corporate governance requirements by the Company.

6. We have carried out examination of the relevant records and documents of the Company in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India (the ICSI), in so far as applicable for the purpose of this certification, and as per the Guidance Note on Non-Financial Disclosures and Guidance Note on Code of Conduct for CS issued by the ICSI requiring us to combine ethical standards with the performance of technical skills.

7. We have complied with the relevant applicable requirements of the Guidance Manual on Quality of Audit & Attestation Services issued by ICSI for the related service engagement.

## Opinion:

8. Based on our examination of the relevant records and according to information and explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the of the Listing Regulations during the financial year ended 31<sup>st</sup> March, 2024 *except that during the period from 01<sup>st</sup> April, 2023 to 06<sup>th</sup> April, 2023 the Board of Directors comprised of five (5) directors and as such the optimum combination and composition as required under Regulation 17(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 was not followed.*

## Other relevant information:

9. This certificate 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.

**For D. DUTT & CO.**

Company Secretaries

UNIQUE CODE NUMBER: I2001WB209400

**(DEBABRATA DUTT)**

Proprietor

FCS-5401

C.P. No. 3824

Peer Review Certificate No. – 22277/2022

UDIN No.: F005401F000436557

Place: Kolkata

Date: 24<sup>th</sup> May, 2024

## Annexure-V: Secretarial Audit Report

Form No. MR - 3

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024

**[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 31<sup>st</sup> March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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 31<sup>st</sup> March, 2024 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 and/or The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 [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;

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.

*Pursuant to SEBI SOP Circular as amended upto date, a fine of Rs 4,80,000/- plus GST aggregating to Rs. 5,66,400/- was imposed for the quarters ended 31<sup>st</sup> March, 2023 and 30<sup>th</sup> June, 2023 by BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) for non-compliance of Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015 (for not having minimum required six directors in the Board till 6<sup>th</sup> April, 2023) which the Company has deposited.*

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 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.

*However, post resignation of Mr. Sunil Srivastav (DIN: 00237561) on 15<sup>th</sup> August, 2022 as a Director of the Company and till appointment of Dr. (Mrs) Sheela Bhide (DIN: 01843547) as an Additional Non-Executive Director (in the Independent Category) w.e.f. 7<sup>th</sup> April, 2023 the minimum strength of the Board was reduced below six. Accordingly for the period from 01<sup>st</sup> April, 2023 to 06<sup>th</sup> April, 2023 (relevant to the year under report), the composition of Board was not in accordance with the provisions of Regulation 17(1)(c) of the Listing Regulations.*

- (b) Adequate notice was given to all directors to schedule the Board Meetings, though, in some instances agenda and detailed notes on agenda were sent in advance in less than seven days, 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/other KMPs 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**, 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.

**For D. DUTT & CO.**

Company Secretaries

UNIQUE CODE NUMBER: I2001WB209400

**(DEBABRATA DUTT)**

Proprietor

FCS-5401

C.P. No. 3824

Peer Review Certificate No. – 2277/2022

UDIN: F005401F000436535

Place: Kolkata

Date: 24<sup>th</sup> May, 2024

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

## Annexure – A

**To**  
**The Members,**  
**Star Paper Mills Limited**

**Our Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2024 of even date is to be read along with this letter.**

### **Management's Responsibility:**

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:**

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.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct

facts are reflected in secretarial records.

We believe that the audit evidence and information obtained from the Company's management are adequate and appropriate for us to provide us a basis of our opinion.

### **Disclaimer:**

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.

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

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.

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.

**For D. DUTT & CO.**

Company Secretaries

UNIQUE CODE NUMBER: I2001WB209400

**(DEBABRATA DUTT)**

Proprietor

FCS-5401

C.P. No. 3824

Peer Review Certificate No. – 2277/2022

UDIN: F005401F000436535

Place: Kolkata

Date: 24<sup>th</sup> May, 2024

## 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 : 24<sup>th</sup> May, 2024

**Shiromani Sharma**

Chairman



# Independent Auditors' Report

## To the Members of Star Paper Mills Limited Report on the Financial Statements

### Opinion

We have audited the accompanying Financial Statements of **Star Paper Mills Limited**("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of material accounting policies and Other Explanatory Notes for the year ended on that date (hereinafter referred to as "Financial Statements").

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

### Basis For Opinion

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

### Key Audit Matters

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

Key Audit Matters	Addressing the Key Audit Matters
<p><b>Evaluation of provisions and Contingent Liabilities:</b></p> <p>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.</p> <p>There are also a number of litigations including direct and indirect taxes, various claims, etc. pending before various forums against the Company.</p>	<p>Our Audit procedures based on which we arrived at the conclusion regarding reasonableness of disclosure of contingent liability and recognition of provisions includes the following:</p> <ul style="list-style-type: none"> <li>• We have obtained an understanding of the Company's internal instructions and procedures in respect of estimation, assessment and disclosure of contingent liabilities;</li> <li>• Understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases;</li> <li>• Reviewed the estimation made by the management for measurement, recognition of provisions considering the past events, risks and uncertainties surrounding the obligations and probability of the outflow of resources towards the possible obligation;</li> <li>• Discussed with the management regarding any material developments and status of matters requiring legal clarification;</li> </ul>

Key audit Matters	Addressing the Key Audit Matters
<p>The management's judgement is required for estimating the amount to be provided and/or disclosed as contingent liability.</p> <p>We identified this as a key audit matter because the estimates and assessment with respect to these involve a significant degree of management's judgement, interpretations, and may therefore require adequate attention to arrive at the required conclusion.</p> <p>(Refer Note No. 40 to the Financial Statements, read with the Material Accounting Policy No.35.3.14)</p>	<ul style="list-style-type: none"> <li>• Read various correspondences and related documents pertaining to litigations involved and relevant external legal opinions obtained by the management and performed substantive procedures on estimation supporting the disclosure of contingent liabilities;</li> <li>• Examined management's judgements and assessments in respect of whether provisions are required;</li> <li>• Reviewed the management's assessments of those matters which have not been provided for or disclosed as contingent liability since the probability of material outflow has been considered to be remote;</li> <li>• Reviewed the adequacy and completeness of disclosures;</li> <li>• Based on the above procedures performed, the estimation of provision and disclosures for contingent liabilities have been considered to be adequate and reasonable.</li> </ul>
<p><b>Verification of Inventories and Valuation thereof</b></p> <p>The total inventory of the Company amounts to Rs. 11,517.28 Lakhs (as on March 31, 2024) (Refer Note 5 and 51.1 read with Material Accounting Policy No. 35.3.10).</p> <p>Existence of Inventories and valuation thereof was focus area of audit considering that the amount involved therein was substantial and the nature of operations of the Company.</p> <p>Physical verifications in all the locations have been conducted by the management at the year end.</p>	<p>Our Audit procedures based on which we arrived at the conclusion regarding reasonableness of determination of year-end inventory and valuation thereof include the following:</p> <ul style="list-style-type: none"> <li>• Ensuring the effectiveness of the design, implementation and maintenance of controls over inventory and in system and procedure for conducting the physical verification and testing these controls being operated effectively.</li> <li>• Observing the verification of Inventories at the year end undertaken by the management and evaluation of procedures and documentation in this aspect.</li> <li>• Obtaining and reviewing the necessary evidences, working papers and documents for the physical verification carried out as above.</li> </ul> <p>Verifying the valuation process/methodology and checks being performed at multiple levels and ensuring that the valuation is consistent with and as per the policy followed in this respect.</p>

### Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), Changes in Equity and Cash Flows of the Company in accordance with the



accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the act.

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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Standard on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud

or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal financial 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 the 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; and
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. Further to our comments in the annexure referred to in the paragraph above, 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 except for the matters stated in paragraph 3(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time;
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the maintenance of accounts and other matters connected therewith, reference is invited to paragraph 2(b) above on reporting under section 143(3)(b) of the Act; and
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal control with reference to financial statements.
- III. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements—Refer Note no. 40 of the financial statements;
  - b) The Company did not have any material foreseeable losses against long-term contracts, including derivative contracts and thereby requirement for making provision in this respect is not applicable to the company;
  - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;



- d) The Management has represented that, to the best of its knowledge and belief as disclosed in Note No.48 to the financial statements, 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(s) or entity(ies), including foreign entities ("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;
- ii) The Management has represented, that, to the best of its knowledge and belief as disclosed in Note No.48 to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), 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; and
- iii) 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 (i) and (ii) above, contain any material misstatement.
- e) The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.
- f) Based on our examination which included test checks, the Company has used accounting software incorporating all the financial and other transactions involving various operational areas and functions for maintaining its books of account which, except in respect of master data, have the feature of recording audit trail (edit log) facility at application level. The feature of audit trail (edit log) is coded in the said software via programs, and it is not possible to ascertain whether audit trail (edit log) facility was operating throughout the year for all relevant transactions. Audit trail (edit log) with respect to the direct changes at database level have not been enabled.
- In respect of the above software, to the extent applicable as above, we have, however, not come across any instance of the same being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, on preservation of audit trail (edit log) as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.
- IV. With respect to the reporting under Section 197 (16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the Remuneration (including Sitting fees) paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act and is not in excess of the limit laid down therein.

**For Lodha & Co, LLP**

Chartered Accountants

Firm's ICAI Registration No.:301051E/E300284

**Boman R. Parakh**

Partner

Membership No: 053400

UDIN: 24053400BKFCGA5840

Place: Kolkata  
Date: May 24, 2024



## ANNEXURE "A"

### TO THE AUDITORS' REPORT OF EVEN DATE:

The Statement referred to in paragraph (I) with the heading 'Report on other legal and regulatory requirements' of our Report of even date to the members of Star Paper Mills Limited on the Financial Statements of the Company for the year ended March 31, 2024, we report that:

- i)
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situations of Property, Plant and Equipment and Intangible Assets;
  - b. There is a phased programme of verification of such assets, based on which physical verification of fixed assets is being carried out by the management. Discrepancies in respect of fixed assets verified during the year were not material;
  - c. According to the information and explanations given to us and based on verification of title deeds/ lease deeds produced to us by the management, in our opinion, the title deeds/lease deeds of immovable properties as stated in Note No. 1.a) ii) of Financial Statements are held in the name of the company;
  - d. The company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible Assets during the year. Accordingly, reporting under paragraph clause 3 (i)(d) of the Order is not applicable to the Company;
  - e. According to the information and explanation given to us and as represented by the management no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, as amended from time to time. Accordingly, reporting under paragraph 3 (i)(e) of the Order is not applicable to the Company.
- ii)
  - a. The inventories of the Company have been physically verified by the management during the year at reasonable intervals and in our opinion coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and nature of its inventory. The discrepancies noticed on physical verification of inventories were not more than 10% or more in aggregate for each class of inventory and have been properly dealt with in the books of account;
  - b. The Company has not been sanctioned working capital limit in excess of Rupees Five Crores in aggregate, at any point 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 made investments during the year in units of mutual funds which are quoted. Other than these and according to the information and explanations given us and on the basis of our examination of the records of the company, the company has not made any investments, granted any secured and unsecured loan, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year.
    - a. The Company has not provided any loans or advances in 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. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that investments made in securities considering that these are quoted and have been made at prevailing market rates, the terms and conditions thereof as such are prima facie not prejudicial to the interest of the Company;
    - c. The Company has not granted any loan, or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. However, loan of Rs.45 lakhs given to a body corporate in earlier years are outstanding as on this date. In absence of any term of repayment of principal and interest and these not being recovered since a considerable period of time, the same was fully provided in the books of accounts in earlier years;
    - d. As stated in para c above, there is a overdue principal amount of Rs.45 lakhs for more than

ninety days and based on the possible outcome of steps taken for recovery in earlier year, the same was fully provided for in the financial statements and no further step as such in this respect has been taken in the current year;

- e. According to the information and explanation given to us and on the basis of our examination of the records of the Company, there was no loan or advances in the nature of loans granted and have fallen due during the year which has been renewed or extended or fresh loans have been granted to settle the over dues of existing loans or advances in the nature of loans given to the same parties; and
- f. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans during the year either repayable on demand or without specifying any terms or period of repayment.
- iv) In our opinion and according to the information and explanation given to us, the company has complied with the provision of section 185 and 186 of the Act, in respect of grant of loan, making investments and providing guarantees and securities, as applicable;
- v) According to the information and explanation given to us and based on our examination of the books and records of the Company, the Company has not accepted any deposits or any amount deemed to be deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Accordingly reporting under paragraph 3(v) of the Order is not applicable to the Company.
- 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 Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been maintained. We have, however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- vii) According to the information and explanations given to us and based on our examination of the books of accounts:
  - a. During the year, the Company has generally been regular in depositing with the appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues as applicable to it. According to the information and explanations given to us, there is no undisputed amounts payable in respect of these which were in arrears as on March 31, 2024 for a period of more than six months from the date they become payable except Rs.26.20 lakhs payable in respect of Mandi fees for a period of more than six months from the date they become payable;
  - b. The details of statutory dues referred to in sub clause (vii) (a) above, which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of dues	Rupees in Lakhs	Period to which the amount relates	Forum where dispute is pending
Central Goods and Service Tax Act, 2017	Goods and Service Tax	327.05	FY. 2019-20, 2020-21	Joint Commissioner, Corporate office Muzaffarnagar
Central Goods and Service Tax Act, 2017	Goods and Service Tax	1366.56	FY. 2017-18, 2018-19	Joint Commissioner, Corporate office Muzaffarnagar
The UP Vat Act, 2008	Sales Tax	98.47	FY.2015-16	Deputy Commissioner Saharanpur
The UP Vat Act, 2008	Sales Tax	9.19	FY.2014-15	Tribunal Saharanpur
The UP Vat Act, 2008	Sales Tax	11.45	FY.2007-08,2011-12	Additional Commissioner Appeals
The CST Act, 1956	Sales Tax	406.00	FY.1995-96	Tribunal Saharanpur
The CST Act, 1956	Sales Tax	39.55	FY.2015-16	Deputy Commissioner Saharanpur
The Entry Tax Act, 2007	Sales Tax	22.92	FY.2015-16	Deputy Commissioner Saharanpur

Name of the statute	Nature of dues	Rupees in Lakhs	Period to which the amount relates	Forum where dispute is pending
The Entry Tax Act, 2007	Sales Tax	24.00	Fuel (FY.2008-09 to 2011-12)	Hon'ble High Court at Allahabad
U.P. Forest Corporation Act, 1974	U.P. Forest Corporation	69.10	FY. 1986-1991	Hon'ble High Court at Allahabad
The Income Tax Act, 1961	Income Tax	1099.66	A.Y.2015-16, 2017-18 & 2023-24	CIT Appeal, Faceless/ITAT
The ESIC Act, 1948	ESIC	11.57	FY.1993-94, 1994-95 and 1998	Hon'ble High Court at Allahabad/Civil Judge Saharanpur
The Uttar Pradesh Nagar Nigam Act, 1959	Property Taxes	468.77	FY.2022-23, 2023-24	Hon'ble High Court at Allahabad
The Krishi Utpadan Mandi Adhiniyam, 1964	Mandi Samiti	560.00	FY.2004 to 2009 and 2009 to 2016	Hon'ble High Court at Allahabad

- viii) In our opinion and on the basis of information and explanations given to us and as represented by the management, we have neither come across nor have been informed of transactions which were previously not recorded in books of account and that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 and accordingly reporting under paragraph 3 (viii) of the Order is not applicable;
- ix) In our opinion and on the basis of information and explanations given to us by the management and based on our examination of the books of account the company:
- The Company has not raised any loan/ borrowing from banks, financial institution or Government therefore reporting under clause 3(ix)(a) of the order is not applicable;
  - The Company has not been declared wilful defaulter by any bank or financial institutions or any other lenders;
  - During the year, no term loan has been availed by the Company and accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable.
  - According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Financial Statements of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company;
  - The Company does not have any subsidiaries, associates or joint ventures; and hence, reporting under paragraph 3(ix)(e) and (f) of the Order is not applicable;
- x) According to the information and explanations given to us and based on our examination of books of account of the Company:
- The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under paragraph 3 (x)(a) of the Order is not applicable to the Company; and
  - The Company has not made any preferential allotment or private placement of shares or convertible debentures (partly, fully, or optionally) during the year and accordingly, reporting under paragraph 3 (x)(b) of the Order is not applicable to the Company.
- xi) a. During the course of our examination of books and records of the company carried out during the year in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have been informed of any such cases by the management;
- According to the information and explanation given to us no report under sub-section (12) of section 143 of the Companies Act 2013, has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended from time to time) with the Central Government, during the year and up to the date of this report; and
  - According to the information and explanation given to us and based on the examination of the books of accounts of the company, no whistleblower complaints have been received during the year by the company. Accordingly, reporting under paragraph 3(xi)(c) of the Order is not applicable.



- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and accordingly the Nidhi Rules, 2014 are not applicable to it, hence, the reporting under paragraph 3(xii) (a), (b) and (c) of the Order is not applicable to the Company;
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial statements as required in terms of the applicable accounting standards;
- xiv) The Company has appointed a firm of Chartered Accountants to carry out the internal audit of the Company. In our opinion and according to the information and explanations given to us the internal audit system is commensurate with the size and nature of its business. We have considered, during the course of our audit, the reports of the internal auditor for the period under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".
- xv) According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and hence reporting under paragraph 3(xv) of the Order is not applicable;
- 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) of the Order is not applicable;
- b. The Company has not conducted any Non-Banking Financial or Housing Finance Activities. Hence, reporting under clause 3(xvi)(b) of the Order is not applicable;
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable;
- d. In our opinion and based on the representation received by us from the management, 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) Based on the examination of the books of accounts, we report that the Company has incurred cash losses neither in current financial year nor in the immediately preceding financial year;
- xviii) There has been no resignation of the statutory auditors of the Company during the year and hence reporting under paragraph 3(xviii) of the Order is not applicable;
- xix) According to the information and explanations given to us and based on the financial ratios (refer note no. 49 to the Financial Statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying financial statements, 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 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 given 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) According to the information and explanations given to us and based on our examination of books and records of the company there are no unspent amount towards Corporate Social Responsibility (CSR) on either ongoing projects or other than ongoing projects under section 135 of the Act and accordingly, reporting under paragraph 3(xx)(a) and (b) of the order is not applicable to the Company;
- xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of financial statements.

**For Lodha & Co, LLP**

Chartered Accountants

Firm's ICAI Registration No.:301051E/E300284

**Boman R. Parakh**

Partner

Membership No: 053400

UDIN: 24053400BKFCGA5840

## ANNEXURE "B"

### TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph II (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date) **Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").**

We have audited the internal financial controls with reference to the Financial Statements of **Star Paper Mills Limited** ("the Company") as at March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the financial statements. 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 control with reference to Financial Statements were

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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### Meaning of Internal Financial Controls with reference to financial statements

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



directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in

conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.

Place: Kolkata  
Date: May 24, 2024

**For Lodha & Co, LLP**  
Chartered Accountants  
Firm's ICAI Registration No.:301051E/E300284

**Boman R. Parakh**  
Partner  
Membership No: 053400  
UDIN: 24053400BKFCGA5840



# Balance Sheet

as at March 31, 2024

(₹ in Lakhs)

Particulars	Note No.	As At Mar 31, 2024	As At March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	1a	42,540.01	41,368.76
(b) Capital Work-in-progress	1b	316.77	319.47
(c) Financial Assets			
(i) Investments	2	1,710.87	1,815.62
(ii) Other Financial Assets	3	232.32	228.01
(d) Other non-current assets	4	1,024.76	503.66
<b>Total Non Current assets (A)</b>		<b>45,824.73</b>	<b>44,235.52</b>
<b>Current Assets</b>			
(a) Inventories	5	11,517.28	9,558.20
(b) Biological Assets-Unharvested Clonal Plant	6	57.90	19.64
(c) Financial Assets			
(i) Investments	7	17,676.35	2,869.13
(ii) Trade Receivables	8	390.46	254.92
(iii) Cash and Cash Equivalents	9a	1,086.43	346.92
(iv) Other Bank Balances	9b	1,398.72	14,042.11
(v) Loans	10	-	-
(vi) Other Financial Assets	11	84.96	510.34
(d) Other Current Assets	12	918.49	1,002.34
<b>Total Current Assets (B)</b>		<b>33,130.59</b>	<b>28,603.60</b>
<b>Total Assets (A)+(B)</b>		<b>78,955.32</b>	<b>72,839.12</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	13	1,560.83	1,560.83
(b) Other Equity	14	63,166.85	57,880.80
<b>Total Equity (A)</b>		<b>64,727.68</b>	<b>59,441.63</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Lease Liabilities	15	433.01	-
(ii) Other Financial Liabilities	16	941.13	952.16
(b) Provisions	17	379.66	354.75
(c) Deferred tax liabilities (Net)	18	7,128.92	6,640.43
<b>Total Non Current Liabilities (B)</b>		<b>8,882.72</b>	<b>7,947.34</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Lease Liabilities	19	67.50	13.56
(ii) Trade Payables	20		
(i) Total outstanding dues of Micro Enterprises and Small Enterprises; and		1,363.51	569.96
(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises.		1,056.87	2,468.86
(iii) Other financial liabilities	21	2,313.24	1,449.94
(b) Other current liabilities	22	434.86	579.37
(c) Provisions	23	108.94	94.63
(d) Current Tax Liabilities (Net)	24	-	273.83
<b>Total Current Liabilities (C)</b>		<b>5,344.92</b>	<b>5,450.15</b>
<b>Total Equity and Liabilities (A+B+C)</b>		<b>78,955.32</b>	<b>72,839.12</b>

Material Accounting Policies and Notes to Accounts (Note No. 1 – 54)

As per our report of even date

For Lodha &amp; Co, LLP

Chartered Accountants

(Boman R.Parakh)  
PartnerShiromani sharma  
ChairmanPlace : New Delhi  
Date : 24<sup>th</sup> May, 2024Saurabh Arora  
Company SecretarySanjeev K. Garg  
Chief Financial OfficerMadhukar Mishra  
Managing directorShrivardhan Goenka  
Director





# Statement of Profit & Loss

for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue	25	44,447.29	49,268.75
Other Income	26	3,191.28	2,171.36
<b>Total Income (I)</b>		<b>47,638.57</b>	<b>51,440.11</b>
<b>EXPENSES</b>			
Cost of materials consumed	27	22,114.87	21,946.39
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(2,942.01)	(2,470.85)
Employee benefits expense	29	3,016.76	2,688.89
Finance costs	30	83.76	55.94
Depreciation and amortisation expense	31	544.10	527.62
Other expenses	32	16,550.81	19,132.18
<b>Total Expenses (II)</b>		<b>39368.29</b>	<b>41880.17</b>
Profit before exceptional items and tax (I-II)		8270.28	9559.94
Exceptional Items	51	(179.81)	(1,225.73)
<b>Profit before tax</b>		<b>8090.47</b>	<b>8334.21</b>
Tax expense:	33		
Current tax		1,394.30	2,133.13
Deferred tax charge/(credit)		295.85	(366.22)
<b>Profit for the year</b>		<b>6,400.32</b>	<b>6,567.30</b>
<b>Other Comprehensive Income</b>	34		
A (i) Items that will not be reclassified to profit or loss		(141.22)	(60.71)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(192.64)	0.20
<b>Other Comprehensive Income for the year (net of taxes)</b>		<b>(333.86)</b>	<b>(60.91)</b>
<b>Total Comprehensive Income for the year comprising profit and other comprehensive income for the year</b>		<b>6,066.46</b>	<b>6,506.39</b>
<b>Earnings per equity share of par value of Rs. 10/- each.</b>	38		
(1) Basic (₹)		41.01	42.08
(2) Diluted (₹)		41.01	42.08

Material Accounting Policies and Notes to Accounts (Note No. 1 – 54)

**As per our report of even date**

**For Lodha & Co, LLP**

Chartered Accountants

**(Boman R.Parakh)**

Partner

**Shiromani sharma**

Chairman

Place : New Delhi

Date : 24<sup>th</sup> May, 2024

**Saurabh Arora**

Company Secretary

**Sanjeev K. Garg**

Chief Financial Officer

**Madhukar Mishra**

Managing director

**Shrivardhan Goenka**

Director

# Statement of changes in Equity

for the year ended March 31, 2024

## A. Equity Share Capital

(₹ in Lakhs)

Particulars	Amount (₹ in Lakhs)
Balance as at April 1, 2022	1,560.83
Changes during the year	-
Balance as at March 31, 2023	1,560.83
Changes during the year	-
<b>Balance as at March 31, 2024</b>	<b>1,560.83</b>

## B. Other Equity

As at March 31, 2024

(₹ in Lakhs)

Particulars	Reserves and Surplus				Items of other comprehensive income		Total
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Re measurement of defined benefit plans	
Balance as at April 01, 2023	4,459.50	50.00	1,582.01	53,557.77	(1,768.48)	-	57,880.80
Profit for the year	-	-	-	6,400.32	-	-	6,400.32
Total Other Comprehensive Income for the year	-	-	-	-	(306.57)	(27.29)	(333.86)
Final Dividend	-	-	-	(780.41)	-	-	(780.41)
Transfer to Retained Earnings	-	-	-	-	-	27.29	27.29
Transfer from Other Comprehensive Income	-	-	-	(27.29)	-	-	(27.29)
<b>Balance at March 31, 2024</b>	<b>4,459.50</b>	<b>50.00</b>	<b>1,582.01</b>	<b>59,150.39</b>	<b>(2,075.05)</b>	<b>-</b>	<b>63,166.85</b>

Refer Note No. 14 for nature and purpose of reserves.

As at March 31, 2023

(₹ in Lakhs)

Particulars	Reserves and Surplus				Items of other comprehensive income		Total
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Re measurement of defined benefit plans	
Balance as at April 01, 2022	4,459.50	50.00	1,582.01	47,516.87	(1,687.68)	-	51,920.70
Profit for the year	-	-	-	6,567.30	-	-	6,567.30
Total Other Comprehensive Income for the year	-	-	-	-	(80.80)	19.89	(60.91)
Final Dividend	-	-	-	(546.29)	-	-	(546.29)
Transfer to Retained Earnings	-	-	-	-	-	(19.89)	(19.89)
Transfer from Other Comprehensive Income	-	-	-	19.89	-	-	19.89
<b>Balance at March 31, 2023</b>	<b>4,459.50</b>	<b>50.00</b>	<b>1,582.01</b>	<b>53,557.77</b>	<b>(1,768.48)</b>	<b>-</b>	<b>57,880.80</b>

Refer Note No. 14 for nature and purpose of reserves.

Material Accounting Policies and Notes to Accounts (Note No. 1 – 54)

As per our report of even date

For Lodha & Co, LLP

Chartered Accountants

(Boman R.Parakh)  
Partner

Shiromani sharma  
Chairman

Place : New Delhi  
Date : 24<sup>th</sup> May, 2024

Saurabh Arora  
Company Secretary

Sanjeev K. Garg  
Chief Financial Officer

Madhukar Mishra  
Managing director

Shrivardhan Goenka  
Director



# Notes to Financial Statement

for the year ended March 31, 2024

## 1. a) PROPERTY, PLANT AND EQUIPMENT:

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Right of Use Asset-Building	Plant and Equipments	Furniture and Fixtures	Vehicles	Total
<b>Gross Block</b>							
Cost as at 1st April, 2022	32,118.98	120.16	162.63	11,657.46	80.56	8.17	44,147.96
Additions	-	-	-	495.81	12.42	-	508.23
Deduction/Adjustment	-	2.19	-	87.97	0.70	-	90.86
<b>Balance as at 31st March, 2023</b>	<b>32,118.98</b>	<b>117.97</b>	<b>162.63</b>	<b>12,065.30</b>	<b>92.28</b>	<b>8.17</b>	<b>44,565.33</b>
Additions	-	-	539.70	1,160.34	16.79	-	1,716.83
Deduction/Adjustment	-	-	-	2.06	0.72	-	2.78
<b>Balance as at 31st March, 2024</b>	<b>32,118.98</b>	<b>117.97</b>	<b>702.33</b>	<b>13,223.58</b>	<b>108.35</b>	<b>8.17</b>	<b>46,279.38</b>
<b>Accumulated Depreciation</b>							
<b>Balance as at 1st April, 2022</b>	<b>-</b>	<b>88.37</b>	<b>114.81</b>	<b>2,427.74</b>	<b>57.42</b>	<b>2.56</b>	<b>2,690.90</b>
Depreciation	-	6.40	38.25	468.57	12.20	2.20	527.62
Deduction/Adjustment	-	1.89	-	19.41	0.65	-	21.95
<b>Balance as at 31st March, 2023</b>	<b>-</b>	<b>92.88</b>	<b>153.06</b>	<b>2,876.90</b>	<b>68.97</b>	<b>4.76</b>	<b>3,196.57</b>
Depreciation	-	5.01	54.54	470.02	13.32	1.21	544.10
Deduction/Adjustment	-	-	-	0.59	0.71	-	1.30
<b>Balance as at 31st March, 2024</b>	<b>-</b>	<b>97.89</b>	<b>207.60</b>	<b>3,346.33</b>	<b>81.58</b>	<b>5.97</b>	<b>3,739.37</b>
<b>Net Block</b>							
<b>Balance as at 31st March, 2023</b>	<b>32,118.98</b>	<b>25.09</b>	<b>9.57</b>	<b>9,188.40</b>	<b>23.31</b>	<b>3.41</b>	<b>41,368.76</b>
<b>Balance as at 31st March, 2024</b>	<b>32,118.98</b>	<b>20.08</b>	<b>494.73</b>	<b>9,877.25</b>	<b>26.77</b>	<b>2.20</b>	<b>42,540.01</b>

1. a)i) 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, 2023 Rs.21.13 Lakhs) and Rs. 3.50 Lakhs (March 31, 2023 Rs.4.39 Lakhs) respectively.

1. a)ii) All title deeds/ lease deed of all the immovable properties are held in name of the company.

1. a)iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current year or previous year.

## 1. b) CAPITAL WORK-IN-PROGRESS(CWIP)

As at March 31, 2024

(₹ in Lakhs)

Particulars	Amount
As per last Balance Sheet	319.47
Add: Addition	1,172.68
Less: Capitalisation	1,163.15
Less: Charged to the statement of Profit and Loss	12.23
<b>As at March 31, 2024</b>	<b>316.77</b>

As at March 31, 2023

(₹ in Lakhs)

Particulars	Amount
As per last Balance Sheet	278.69
Add: Addition	1,512.87
Less: Capitalisation	496.56
Less: Charged to the statement of Profit and Loss	975.53
<b>As at March 31, 2023</b>	<b>319.47</b>

## 1.b) i) Ageing of Capital work-in-progress

Capital work-in-progress as on 31.03.2024

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>Projects In Progress</b>					
Replacement/Mordernisation of Plant and Machinery, Factory Buildings etc	69.91	93.61	-	-	163.52
Project Temporary suspended					
Bag House at Cheema*	-	-	-	153.25	153.25
<b>Total</b>	<b>69.91</b>	<b>93.61</b>	<b>-</b>	<b>153.25</b>	<b>316.77</b>

\*The bag house at cheema boiler has been kept on hold pending reassessment of feasibility thereof and expected date of completion thereof is currently not determinable.

Capital work-in-progress as on 31.03.2023

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>Projects In Progress</b>					
Upgradation of Turbine	89.04	-	-	-	89.04
Replacement/Mordernisation of Plant and Machinery	77.18	-	-	-	77.18
Project Temporary suspended					
Bag House at Cheema*	-	-	33.98	119.27	153.25
<b>Total</b>	<b>166.22</b>	<b>-</b>	<b>33.98</b>	<b>119.27</b>	<b>319.47</b>

\*The bag house at cheema boiler has been kept on hold pending reassessment of feasibility thereof and expected date of completion thereof is currently not determinable.

## 2. INVESTMENTS (NON-CURRENT)

(Fully paid up except otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Investments in Equity Instruments</b>				
<b>Investment designated at Fair Value through Other Comprehensive Income</b>				
Quoted				
ISG Traders Limited (Face value of Rs.10/- each)	1,745,786	1710.87	1,745,786	1,815.62
<b>Total Non-Current Investments</b>		<b>1,710.87</b>		<b>1,815.62</b>
<b>Aggregate amount of Quoted Investments</b>		<b>1,710.87</b>		<b>1,815.62</b>

- The Company has made an irrevocable decision to consider equity instruments not held for trading to be recognized at FVTOCI.
- The shares of ISG Traders Limited are quoted but not traded since long therefore the fair value of investment has not been derived with respect to rates prevailing in active market but has been considered based on the report on 25th July, 2023, as valued by independent firm of chartered accountant. This is based on the latest available audited financial statements of the said company for the year ended 31st March, 2022 and is updated on availabilities of audited financial statements and consequential adjustments are given effect to on year to year basis.
- Particulars of investments as required in terms of section 186(4) of the Companies Act, 2013 have been disclosed under Note No. 2 above.

**3. OTHER FINANCIAL ASSETS ( NON-CURRENT)**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, Considered Good unless otherwise stated)</b>		
<b>At amortised cost</b>		
<b>Security Deposits</b>		
Related parties (Refer Note No. 41)	49.00	49.00
Others	183.32	179.01
	<b>232.32</b>	<b>228.01</b>

**4. OTHER NON-CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured Considered Good</b>		
Capital Advances	20.26	18.91
<b>Advances Other than Capital Advances</b>		
Balances/Deposits with Government Authorities (Under Protest)	381.61	382.39
Advance Tax including Tax Deducted at Source (Refer Note No. 4.1)	414.61	-
Income Tax Refundable	148.79	-
Prepaid expenses	59.49	102.36
	<b>1,024.76</b>	<b>503.66</b>

4.1 Advance Tax including Tax Deducted at Source as on 31st March, 2024 is net of provision for Income Tax of Rs.1,752.79 Lakhs.

**5. INVENTORIES**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	3,750.44	3,906.33
Stock in Transit	1.34	-
Chemicals	316.42	322.10
Process stock	981.30	1,093.19
Finished goods	4,638.23	1,584.33
Stores and spares	1,829.55	2,652.25
	<b>11,517.28</b>	<b>9,558.20</b>

5.1 Refer Note No. 35 (3.8) For mode of Valuation

5.2 Refer Note No. 51.1

**6. BIOLOGICAL ASSETS-UNHARVESTED CLONAL PLANT**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
As at opening date	19.64	13.11
Increase due to production	400.87	291.47
Decrease due to harvest/sale/others	324.35	284.68
Changes in fair value	(38.26)	(0.26)
<b>As at Closing date</b>	<b>57.90</b>	<b>19.64</b>

**7. CURRENT INVESTMENTS**

(Fully paid up except otherwise stated)

(₹ in Lakhs)

Particulars	Face Value	As at March 31, 2024		As at March 31, 2023	
		Holding (No.)	Amount	Holding (No.)	Amount
<b>Investment measured at fair value through Profit and Loss</b>					
<b>Investment in Mutual Funds</b>					
Quoted					
ICICI Prudential Ultra Short Term Fund – Growth	10	887,553.389	483.15	887,553.389	448.48
Bandhan Bond Fund-Short Term Plan Regular-Growth	10	725,610.420	374.45	725,610.420	349.55
UTI Corporate Bond Fund - Regular Growth Plan	10	15,012,981.880	2,223.39	15,012,981.880	2,071.10
KOTAK Equity Savings fund-Direct Growth	10	7,962,171.111	2,022.81	-	-
HDFC Equity Saving Fund	10	3,898,709.115	2,552.89	-	-
SBI Equity Saving Fund	10	25,382,733.907	5,887.27	-	-
ICICI Prudential Equity Saving Fund	10	7,288,423.644	1,575.03	-	-
Aditya Birla Sun Life Equity Saving Fund	10	4,851,387.324	1,054.21	-	-
Nippon India Equity Saving Fund	10	1,339,553.642	213.05	-	-
Aditya Birla Sun Life Arbitrage Fund	10	3,115,921.996	811.11	-	-
Aditya Birla Sun Life Government Security Fund	10	351,343.579	277.59	-	-
Nippon India Gilt Security Fund	10	520,205.227	201.40	-	-
<b>Total</b>			<b>17,676.35</b>		<b>2,869.13</b>
<b>Aggregate amount and Market Value of Quoted Investments</b>					
<b>- In Mutual Funds</b>			<b>17,676.35</b>		<b>2,869.13</b>

7.1 Particulars of investments as required in terms of section 186(4) of the Companies Act, 2013 have been disclosed under Note No. 7 above.

**8. TRADE RECEIVABLES**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good, secured	287.27	140.67
Considered good, unsecured	103.19	114.25
	<b>390.46</b>	<b>254.92</b>

**8.1 AGEING OF TRADE RECEIVABLE (Gross)**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total	
	As at March 31, 2024	Within Credit Period	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years		More than 3 Years
(i) Undisputed Trade receivables – considered good	371.61	371.61	3.80	1.34	11.87	0.03	1.81	390.46
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
<b>Total</b>	<b>371.61</b>	<b>371.61</b>	<b>3.80</b>	<b>1.34</b>	<b>11.87</b>	<b>0.03</b>	<b>1.81</b>	<b>390.46</b>
<b>As at March 31, 2023</b>								
(i) Undisputed Trade receivables – considered good	215.71	215.71	36.84	-	-	-	2.37	254.92
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
<b>Total</b>	<b>215.71</b>	<b>215.71</b>	<b>36.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.37</b>	<b>254.92</b>

**8.2 MOVEMENT OF IMPAIRMENT ALLOWANCES FOR BAD AND DOUBTFUL TRADE RECEIVABLES**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance as at the beginning of the year</b>	-	1.04
Recognised during the year	-	-
Less: Reversal during the year	-	1.04
<b>Balance at the end of the year</b>	-	-

8.3 Trade Receivables are generally settled on credit terms of 5 to 9 days.

8.4 There are no outstanding receivables due from directors or other officers of the company.

**9. a) CASH AND CASH EQUIVALENTS**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances with banks</b>		
In current accounts	184.99	343.41
Fixed deposits with Banks (having original maturity of less than 3 months)	900.00	-
Cash in hand	1.44	3.51
	<b>1,086.43</b>	<b>346.92</b>

**9. b) OTHER BANK BALANCES**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Margin Money Accounts {Refer Note No. 9.b)(i)}	771.53	920.64
<b>Earmarked balances with bank</b>		
Unclaimed Dividend Account {Refer Note No. 9.b)(ii)}	27.19	21.46
Fixed deposits with Banks(having original maturity of more than 3 months but less than 12 Months)	600.00	13,100.01
	<b>1,398.72</b>	<b>14,042.11</b>

9.b)(i) – Kept as lien against Bank Guarantee and Letter of Credit(LC).

9.b)(ii) – Balances with banks on unpaid dividend account represents moneys that can be utilised only to pay dividend to equity shareholders.

**10. LOANS**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured Considered Good)</b>		
<b>At amortised cost</b>		
Loan to Body Corporate (Refer Note No. 44)	45.00	45.00
Less: Impairment Allowance for doubtful Loans (Refer Note No.10.1)	(45.00)	(45.00)
	-	-

**10.1 MOVEMENT OF IMPAIRMENT ALLOWANCES FOR DOUBTFUL LOAN**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance as at the beginning of the year</b>	45.00	45.00
Recognised during the year	-	-
Less: Reversal during the year	-	-
<b>Balance at the end of the year</b>	<b>45.00</b>	<b>45.00</b>



**11. OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest receivables on deposits	84.96	510.34
	<b>84.96</b>	<b>510.34</b>

**12. OTHER CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Advances other than Capital Advances</b>		
Advances for supply of goods and rendering of services (Refer Note No. 12.a)	724.24	849.83
Export Incentive License pending utilisation	1.29	1.99
Prepaid expenses	164.73	130.05
Advances to Employees	6.33	4.61
Other Advances (Refer Note No. 12.b)	21.90	15.86
	<b>918.49</b>	<b>1,002.34</b>

12.a) There are no outstanding loans and advances in nature of loan to promoters, key managerial personnel or other officers of the company.

12.b) Other Advances represents expenditure in excess of the limit specified under section 135 of the Companies Act, 2013 for Corporate Social Responsibility (CSR).

**13. EQUITY SHARE CAPITAL**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorized</b>		
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
	<b>4,000.00</b>	<b>4,000.00</b>
<b>Issued</b>		
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
	<b>1,561.12</b>	<b>1,561.12</b>
<b>Subscribed and Paid-up</b>		
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
	<b>1,560.83</b>	<b>1,560.83</b>

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 There has been no changes/movements in number of shares outstanding at the beginning and at the end of the reporting period.

**13.3 SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARES**

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of Total Shares	No. of shares	% of Total Shares
ISG Traders Limited	4,930,644	31.59	4,930,644	31.59
Albert Trading Company Private Limited	905,200	5.80	905,200	5.80
Lok Prakashan Limited	852363	5.46	273796	1.75

**13.4 Promoter's Shareholding :**

Name of Promoters	As at March 31, 2024		% Change During the year 2023-24	As at March 31, 2023		% Change During the year 2022-23
	No. of Shares	% of Total Shares		No. of Shares	% of Total Shares	
I S G Traders Limited	4,930,644	31.59	-	4,930,644	31.59	0.24
Albert Trading Company Private Limited	905,200	5.80	-	905,200	5.80	-
Silent Valley Investments Limited	621,000	3.98	-	621,000	3.98	-
Continuous Form (Calcutta) Limited	510,000	3.27	-	510,000	3.27	-
Shrivardhan Goenka	45,500	0.29	-	45,500	0.29	-
	<b>7,012,344</b>	<b>44.93</b>	-	<b>7,012,344</b>	<b>44.93</b>	<b>0.24</b>

**14. OTHER EQUITY**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Securities Premium Reserve</b>		
As per last Balance Sheet	4,459.50	4,459.50
Changes during the year	-	-
<b>As at Balance Sheet date (a) (Refer Note No. 14.1)</b>	<b>4,459.50</b>	<b>4,459.50</b>
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	50.00	50.00
Changes during the year	-	-
<b>As at Balance Sheet date (b) (Refer Note No. 14.2)</b>	<b>50.00</b>	<b>50.00</b>
<b>General Reserve</b>		
As per last Balance Sheet	1,582.01	1,582.01
Changes during the year	-	-
<b>As at Balance Sheet date (c) (Refer Note No. 14.3)</b>	<b>1,582.01</b>	<b>1,582.01</b>
<b>Retained Earnings</b>		
As per last Balance Sheet	53,557.77	47,516.87
Profit for the year	6,400.32	6,567.30
Transfer from Other Comprehensive Income in respect of rereasurement of defined benefit plan	(27.29)	19.89
Less:- Final Dividend	(780.41)	(546.29)
<b>As at Balance Sheet date (d) (Refer Note No. 14.4)</b>	<b>59,150.39</b>	<b>53,557.77</b>
<b>Other Comprehensive Income</b>		

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Equity instrument through other comprehensive income</b>		
As per last Balance Sheet	(1,768.48)	(1,687.68)
Other Comprehensive Income for the year (net of tax)	(306.57)	(80.80)
<b>Total</b>	<b>(2,075.05)</b>	<b>(1,768.48)</b>
<b>(ii) Remeasurement of defined benefit plan</b>		
As per last Balance Sheet	-	-
Other Comprehensive Income for the year (net of tax)	(27.29)	19.89
Transfer to Retained Earnings	27.29	(19.89)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>As at Balance Sheet date (e) (Refer Note No. 14.5)</b>	<b>(2,075.05)</b>	<b>(1,768.48)</b>
<b>Total (a to e)</b>	<b>63,166.85</b>	<b>57,880.80</b>

#### 14.1 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.

#### 14.2 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 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.

#### 14.4 Retained Earnings

Retained earnings generally represents the undistributed profit amount of accumulated earnings of the company. This includes Rs. 24,713.07 Lakhs (March 31, 2023 Rs. 24,713.07 Lakhs) which is not available for distribution as these are represented by changes in carrying amount of Property, Plant and Equipment being measured at fair value as on date of transition as deemed cost. This also includes other comprehensive loss of Rs. 84.75 Lakhs ( March 31, 2023 Rs. 57.46 Lakhs) relating to remeasurement of defined benefits plan (net of tax) which cannot be reclassify to statement of profit and loss.

#### 14.5 Other Comprehensive Income (OCI)

Other Comprehensive Income represent the balance in equity and actuarial gains or losses arising on re-measurement of defined benefit obligation 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
  - a. 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.
  - b. The actuarial gains and losses arising on re-measurement of defined benefit obligations have been recognised in OCI and are adjusted in retained earnings as stated in Note No. 14.4 above.

**14.6** The Board of Directors have recommended dividend @ 40% (Rs 4/- per share ) on 15608350 equity shares of Rs.10 each/- for the financial year ended March 31, 2024. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been recognized as a liability in these financial statements. The total estimated equity dividend to be paid is Rs 624.33 Lakhs.

**15. LEASE LIABILITIES**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
Lease Liabilities	433.01	-
	<b>433.01</b>	<b>-</b>

15.1 Refer Note No. 32.4

**16. OTHER FINANCIAL LIABILITIES**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
Security Deposit	941.13	952.16
	<b>941.13</b>	<b>952.16</b>

16.1 Deposit includes Rs. 806.54 Lakhs (Previous year Rs.793.90 Lakhs) taken from Customers at interest rate of 7%p.a.

**17. PROVISIONS**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer Note No.37)	379.66	354.75
	<b>379.66</b>	<b>354.75</b>

**18. DEFERRED TAX LIABILITIES**

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

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax Assets	(132.80)	(370.22)
Deferred tax Liabilities	7,261.72	7,010.65
<b>Net Deferred Tax (Assets)/Liabilities</b>	<b>7,128.92</b>	<b>6,640.43</b>

Components of Deferred tax (Assets)/ Liabilities as at March 31, 2024 are given below:

(₹ in Lakhs)

Particulars	As at March 31, 2023	Charge/ (Credit) recognised	Charge/ (Credit) recognised in other comprehensive income	As at March 31, 2024
<b>Deferred Tax Assets:</b>				
Expenses allowable on payment basis	125.18	32.15	-	93.03
Remeasurement of defined benefit obligations	30.59	-	(9.18)	39.77
Fair value of Investment through Other Comprehensive Income (Refer Note No. 18.1)	201.82	-	201.82	-
Financial Instruments	12.63	12.63	-	-
<b>Total Deferred Tax Assets</b>	<b>370.22</b>	<b>44.78</b>	<b>192.64</b>	<b>132.80</b>
<b>Deferred Tax Liabilities:</b>				
Timing difference with respect to Property, Plant and Equipment	6,909.78	15.34	-	6,925.12

Particulars	As at March 31, 2023	Charge/ (Credit) recognised	Charge/ (Credit) recognised in other comprehensive income	As at March 31, 2024
Recognition of Biological Assets	1.64	12.93	-	14.57
Fair value of Investment through Statement of Profit and Loss	99.23	222.80	-	322.03
<b>Total Deferred Tax Liabilities</b>	<b>7,010.65</b>	<b>251.07</b>	<b>-</b>	<b>7,261.72</b>
<b>NET DEFERRED TAX (ASSETS)/ LIABILITIES</b>	<b>6,640.43</b>	<b>295.85</b>	<b>192.64</b>	<b>7,128.92</b>

Components of Deferred tax (Assets)/ Liabilities as at March 31, 2023 are given below: (₹ in Lakhs)

Particulars	As at March 31, 2022	Charge/ (Credit) recognised	Charge/ (Credit) recognised in other comprehensive income	As at March 31, 2023
<b>Deferred Tax Assets:</b>				
Expenses allowable on payment basis	164.95	39.77	-	125.18
Provision for doubtful debts	0.86	0.86	-	0.00
Lease liability	12.63	-	-	12.63
Remeasurement of defined benefit obligations	37.28	-	(6.69)	30.59
Fair value of Investment through Other Comprehensive Income	195.33	-	6.49	201.82
<b>Total Deferred Tax Assets</b>	<b>411.05</b>	<b>40.63</b>	<b>(0.20)</b>	<b>370.22</b>
<b>Deferred Tax Liabilities:</b>				
Timing difference with respect to Property, Plant and Equipment	7,175.75	(265.97)	-	6,909.78
Recognition of Biological Assets	2.14	(0.50)	-	1.64
Fair value of Investment through Statement of Profit and Loss	239.61	(140.38)	-	99.23
<b>Total Deferred Tax Liabilities</b>	<b>7,417.50</b>	<b>(406.85)</b>	<b>-</b>	<b>7,010.65</b>
<b>NET DEFERRED TAX (ASSETS)/LIABILITIES</b>	<b>7,006.45</b>	<b>(366.22)</b>	<b>(0.20)</b>	<b>6,640.43</b>

18.1 Deferred tax asset of Rs. 201.82 Lakhs being the amount pertaining to the differential in fair value of investments recognised through Other Comprehensive Income in earlier years in absence of reasonable assurance for potential utilisation thereof in the near future has been reversed during the year.

18.2 The amount of deductible temporary differences for which no deferred tax assets in absence of foreseeable utilisation against taxable income of the company has been recognised in the balance sheet are as below:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Effect of loss on fair value of Investment through Other Comprehensive Income	201.82	-

## 19. LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current maturities of lease Liability	67.50	13.56
	<b>67.50</b>	<b>13.56</b>

19.1 Refer Note No. 32.4

**20. TRADE PAYABLES**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (Refer Note No.20.1)	1,363.51	569.96
Total outstanding dues of creditors other than micro enterprises and small enterprises.	1,056.87	2,468.86
	<b>2,420.38</b>	<b>3,038.82</b>

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

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Principal and Interest amount remaining unpaid but not due as at year end	1,363.51	569.96
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

**20.2**

(₹ in Lakhs)

As at March 31, 2024	Outstanding for following periods from due date of payment					Total
	Within Credit Period	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	1,331.00	-	-	-	-	1,331.00
(ii) Others	838.37	202.57	-	0.22	-	1,041.16
(iii) Disputed dues – MSME	-	-	-	-	32.51	32.51
(iv) Disputed dues - Others	-	-	5.51	-	10.20	15.71
<b>Total</b>	<b>2,169.37</b>	<b>202.57</b>	<b>5.51</b>	<b>0.22</b>	<b>42.71</b>	<b>2,420.38</b>

As at March 31, 2023	Within Credit Period	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	515.21	8.73	0.16	-	-	524.10
(ii) Others	2,353.51	60.33	9.38	6.93	5.74	2435.89
(iii) Disputed dues – MSME	-	-	-	31.86	14.00	45.86
(iv) Disputed dues - Others	-	1.11	-	27.61	4.25	32.97
<b>Total</b>	<b>2,868.72</b>	<b>70.17</b>	<b>9.54</b>	<b>66.40</b>	<b>23.99</b>	<b>3038.82</b>

**20.3** Trade payables are non interest bearing and are normally settled on agreed credit terms within 180 days.

**21. OTHER FINANCIAL LIABILITIES**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
Interest payable (Refer Note No. 41)	6.77	6.77
Unclaimed dividends (Refer Note No. 21.1)	27.19	21.46
Liability for Capital Goods (Refer Note No. 21.2)	318.22	246.36
Payable to Employees	496.39	477.46
Derivative Liability	-	1.22
Others (Refer Note No. 21.3)	1,464.67	696.67
	<b>2,313.24</b>	<b>1,449.94</b>

21.1 The same is not due for payment to investor education and protection fund.

21.2 There are no dues to micro and small enterprises with regards to the supplier of Capital Goods as at 31 March 2024 and as at 31 March, 2023. This information as required to be disclosed under the micro, small and medium enterprise development act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

21.3 Includes Sales incentive payable/ Expenses Payable etc.

**22. OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers (Refer Note No. 22.1)	259.30	358.39
Statutory dues (Goods and Service Tax, Provident Fund, Tax Deducted at Source etc.)	175.56	220.98
	<b>434.86</b>	<b>579.37</b>

22.1 Advance from customers is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customers towards products or services to be provide in future period, revenue is recognised once performance obligation is met i.e. once the control over product or service has been transfer to the customer.

**23. PROVISIONS**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer Note No. 37)	108.94	94.63
	<b>108.94</b>	<b>94.63</b>

**24. CURRENT TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for taxation (net of advance tax)	-	273.83
	<b>-</b>	<b>273.83</b>



**25. REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
a) Sale of products (Refer Note No.43(c))	43,732.38	48,272.44
<b>b) Other Operating Revenue</b>		
Sale of Scrap	714.91	988.88
Export Incentive	-	7.43
	714.91	996.31
	<b>44,447.29</b>	<b>49,268.75</b>

**26. OTHER INCOME**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Interest Income:-		
On loans, deposits, overdue Trade Receivable etc.	663.29	644.86
On Other Financial Assets measured at amortised cost	1.33	1.45
<b>Other non-operating income (net of expenses directly attributable to such income).</b>		
Net change in fair value less estimated costs to sell of biological assets	38.26	6.51
Net gain on sale / redemption of Current investments	7.60	173.13
Net gain on fair valuation of Current investments through profit and loss	1,237.09	45.89
Insurance claim received (Refer Note No. 26.4)	330.61	-
Provision/ Liability no longer required written back (Refer Note No.26.1)	297.44	602.76
Miscellaneous income (Refer Note No. 26.2 and 26.3)	615.66	696.76
<b>Total</b>	<b>3,191.28</b>	<b>2,171.36</b>

26.1 Includes Rs. Nil (Previous year Rs.135.12 lakhs) in respect of provision made for transit fee and mandi fees in earlier years towards wood purchase, which based on court/state government order is no more payable and accordingly the management has written back such provision.

26.2 Includes Rs.404.88 lakhs (previous year Rs.324.28 lakhs) in respect of sale of clonal plant.

26.3 Includes Rs.82.87 lakhs (previous year Rs.221.28 Lakhs) including interest thereon being the amount recovered from one of the customers with whom the matter was disputed and was pending before court and has been settled during previous year.

26.4 Other Income for the year ended 31st March, 2024 includes Rs. 303.69 Lakhs being the amount of insurance claim crystallised in respect of loss of Inventory (Wood) due to fire occurred in the earlier year.

**27. COST OF MATERIALS CONSUMED**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Raw Materials Consumed	22,114.87	21,946.39

**27.1. DETAILS OF MATERIAL CONSUMED**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Wood, wood and paper waste and wood pulp	17,285.77	15,863.94
Chemical and Dyes Consumed	4,829.10	6,082.45
<b>Total</b>	<b>22,114.87</b>	<b>21,946.39</b>

## 27.2 REFER NOTE NO. 51.1

## 28. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE &amp; WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>Opening Stock:</b>		
Stock In Process	1,093.19	723.61
Finished Stock	1,584.33	367.65
	<b>2,677.52</b>	<b>1,091.26</b>
Less: Loss due to fire (Note No. 51.1)		
-Finished Goods	-	(365.92)
-Stock in Process	-	(518.67)
	-	<b>(884.59)</b>
<b>Closing Stock:</b>		
Stock In Process	981.30	1,093.19
Finished Stock	4,638.23	1,584.33
	5,619.53	2,677.52
<b>Total Increase/ Decrease in Stock of Paper and Work-in-Progress</b>	<b>(2,942.01)</b>	<b>(2,470.85)</b>

## 29. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Salaries, Wages, Bonus and Benefits etc.	2,648.87	2,399.29
Contribution Provident and Other Funds	179.05	167.83
Staff Welfare Expenses	188.84	121.77
	<b>3,016.76</b>	<b>2,688.89</b>

## 30. FINANCE COSTS

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Interest Expense on Security Deposit	56.40	53.25
Interest on Lease Liability	27.36	2.69
	<b>83.76</b>	<b>55.94</b>

## 31. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
-On Property, Plant and Equipment including Right of Use Assets	544.10	527.62
	<b>544.10</b>	<b>527.62</b>

## 32. OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Stores and components consumed	1,581.59	1,565.42
Power and fuel	8,513.22	11,610.22



Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>Repair to:-</b>		
Buildings	518.74	774.37
Machinery	1,014.92	1,021.86
Others	18.28	18.98
Rent	109.63	77.64
Rates and Taxes	194.92	357.15
Insurance	319.54	112.75
Packing, Transportation and other Selling expenses	260.23	228.21
Brokerage and Commission	279.28	259.44
Loss on foreign currency transaction and translation (net)	-	1.72
Brand Usage Fees (Refer Note No. 32.5)	327.99	-
Legal and Professional charges	757.46	628.87
Loss on sale of Property, Plant and Equipment (net)	1.48	61.05
Loss on foreign currency transaction and translation-Hedging(net)	-	1.22
Sundry balances written off	2.36	48.75
General Manufacturing expenses	954.41	893.55
Directors Sitting Fees	15.60	13.40
Auditors Remuneration (Refer Note No. 32.1)	12.05	14.20
Corporate Social Responsibility Expenditure (Refer Note No. 32.2)	94.46	69.94
Miscellaneous Expenses (Refer Note No. 32.3)	1,574.65	1,373.44
	<b>16,550.81</b>	<b>19,132.18</b>

**32.1 AUDITORS REMUNERATION**

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Statutory Audit	8.25	8.25
Taxation Audit	2.00	2.00
Certification and Others	1.80	3.95
	<b>12.05</b>	<b>14.20</b>

**32.2 DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES**

(a) Gross amount required to be spent by the Company during the year 2023-24 in pursuance to the provision of section 135 of the Companies Act 2013 and rules made there under is Rs.94.45 lakhs (Previous year Rs. 69.94 lakhs).

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

(₹ in Lakhs)

Particulars	2023-24			2022-23		
	Amount Spent	Amount Provided for	Net Amount	Amount Spent	Amount Provided for	Net Amount
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.	23.87	-	23.87	2.43	-	2.43

Particulars	2023-24			2022-23		
	Amount Spent	Amount Provided for	Net Amount	Amount Spent	Amount Provided for	Net Amount
Promoting education, including special education and employment enhancing vocational skill specially among children, women, elderly and differently abled and livelihood enhancement projects.	55.96	-	55.96	44.68	-	44.68
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.	6.39	-	6.39	5.13	-	5.13
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.	11.86	-	11.86	0.08	-	0.08
Restoration/Renovation of Building etc./ Works of art.	2.42	-	2.42	0.00	-	0.00
<b>Total</b>	<b>100.50</b>	<b>-</b>	<b>100.50</b>	<b>52.32</b>	<b>-</b>	<b>52.32</b>

## (c) Detail of carried forward amount:

(₹ in Lakhs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Opening unspent CSR (Refer Note No. 12)	15.86	33.48
Add: Payment During the Year	100.50	52.32
	<b>116.36</b>	<b>85.80</b>
Expense to be recognised in the Statement of Profit and Loss as per Section 135 of Companies Act, 2013	94.46	69.94
<b>Excess amount required to be carried forward (Refer Note No.12)</b>	<b>21.90</b>	<b>15.86</b>

32.3 Includes Rs 189.86 lakhs (March 31,2023 Rs. 148.03 lakhs) on account of research and development expenses.

## 32.4 DISCLOSURES AS PER IND AS 116 "LEASES"

## (a) Treatment of Leases as per Ind AS 116

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The Company has applied the following practical expedients on initial application of Ind AS 116:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs, if any from the measurement of the right-of-use asset at the date of recognition of right-of-use asset.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.
- The weighted average incremental borrowing rate applied to leases recognised during the FY 2023-24 is 7%.



**Nature of lease:** The Company's significant leasing arrangements is in respect of building-office premises on lease which are not non-cancellable and are usually renewable on mutually agreeable terms.

(b) The Company has also taken certain offices and residential premises on lease for short term period and low value assets. The aggregate lease rental of Rs. 109.63 lakhs (Previous year Rs 77.64 lakhs) on such lease has been charged to statement of Profit and Loss.

(c) **Lease Liabilities Reconciliation**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(i) <b>Opening Balance</b>	13.56	67.25
(ii) Lease liability arised during the year	0.00	0.00
(ii) Addition during the Year	524.31	-
(iii) Interest on lease liabilities	27.36	2.69
(iv) Repayment	64.72	56.38
(v) <b>Closing Balance</b>	<b>500.51</b>	<b>13.56</b>

(d) **The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:-**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Not later than one year	67.50	14.10
Later than one year and not more than nine years	605.29	-

(e) **Lease Liabilities**

(₹ in Lakhs)

Particulars	As at March 31,2024			As at March 31,2023		
	Non-Current	Current	Total	Non-Current	Current	Total
Lease Liabilities	433.01	67.50	500.51	-	13.56	13.56
<b>Total</b>	<b>433.01</b>	<b>67.50</b>	<b>500.51</b>	<b>-</b>	<b>13.56</b>	<b>13.56</b>

**32.5** The company has entered into an agreement with ISG Traders Limited for payment of fees against usage of Brand name cum Logo 'Duncan Goenka' with effect from this year. Accordingly, Rs. 327.99 Lakhs being the amount payable in this respect has been recognised as Brand Usage fees and has been disclosed separately under Other expenses.

**33. TAX EXPENSES**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Provision For Current Tax		
-In respect of current year	1,752.79	2,133.13
-In respect of earlier year	(358.49)	-
	<b>1,394.30</b>	<b>2,133.13</b>
Deferred Tax	295.85	(366.22)
	<b>1,690.15</b>	<b>1,766.91</b>

**33.1 COMPONENT OF TAX EXPENSES:**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Current Tax</b>		
In respect of current year	1752.79	2133.13
In respect of earlier year	(358.49)	-
<b>Total Current Tax expenses recognised in the current year</b>	<b>1394.30</b>	<b>2133.13</b>

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Deferred Tax</b>		
In respect of current year	295.85	-366.22
<b>Total Deferred Tax expenses recognised in the current year</b>	<b>295.85</b>	<b>(366.22)</b>
<b>Total tax expense recognised in the current year</b>	<b>1690.15</b>	<b>1,766.91</b>

### 33.2 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 :

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Profit before tax</b>	8090.47	8334.21
Income tax expense calculated at 25.168% as applicable for corporate entities on taxable profits under the Indian tax laws.	2036.21	2097.55
<b>Add: Effect of Expenses that are not deductible in determining Taxable Profit</b>		
Effect of tax on capital gain	1.30	30.00
Expenses not allowed for tax purposes	23.77	17.60
<b>Less : Effect of Expense/income that are deductible/not taxable in determining taxable profit</b>		
Effect of tax on revaluation of land	110.82	193.56
Effect of difference in Tax rate for Profit and Gain of Business and Profession and Capital Gain	(98.17)	184.68
Effect of Tax of earlier year	358.49	-
<b>Income tax expense recognised in profit or loss</b>	<b>1690.15</b>	<b>1766.91</b>

The tax rate used for reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax laws.

### 34. COMPONENTS OF OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Items that will not be reclassified to Statement of Profit or Loss</b>		
Net fair value changes on investments in equity shares at FVTOCI	(104.75)	(87.29)
Remeasurement of defined benefit plans	(36.47)	26.58
	<b>(141.22)</b>	<b>(60.71)</b>

### 34.1 INCOME TAX RECOGNIZED IN OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Deferred tax charge/(credit) on:</b>		
Net fair value changes on investments in equity shares at FVTOCI (Refer Note No.18)	201.82	6.49
Remeasurement gains of defined benefit obligation	(9.18)	(6.69)
<b>Income tax recognized in Other Comprehensive income</b>	<b>192.64</b>	<b>(0.20)</b>
Bifurcation of the income tax recognized in Other comprehensive income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	<b>192.64</b>	<b>(0.20)</b>

### 34.2 COMPONENTS OF OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Items that will not be reclassified to statement of profit and loss		
Net fair value changes on investments in equity shares at FVTOCI (net of tax)	(306.57)	(80.80)
Remeasurement of defined benefit obligation (net of tax)	(27.29)	19.89
	<b>(333.86)</b>	<b>(60.91)</b>

### 35. REFER COMPANY OVERVIEW, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

#### NOTE NO. 35

#### Company Overview, Basis of Preparation and Material Accounting Policies

##### 1. Corporate Information

Star Paper Mills Limited ('the company') having Corporate Identity Number ("CIN") L21011WB1936PLC008726 is a public limited company incorporated and domiciled in India having its plant at Saharanpur in the State of Uttar Pradesh and registered office at Duncan House, 2nd Floor, 31, Netaji Shubash Road, Kolkata in the State of West Bengal. The Company is engaged in the manufacture and supply of Paper, and Paper Board and other related products as its core business. It produces a wide range of Industrial Packaging and cultural paper catering various segments 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

These financial statements ("financial statements") have been prepared under Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act (to the extent notified) and presentation requirements of Division II of Schedule III to the Act, as applicable to the financial statements.

The financial statements for the year ended 31st March 2024 were approved for issue by the Company's Board of Directors on 24th May 2024 and are subject to adoption by the shareholders in the ensuing Annual General Meeting.

All Ind AS issued and notified till the financial statements are approved for issue by the Board of Directors have been considered in preparing these financial statements.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

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.

###### 2.2 Application of new and revised standards:

Effective April 01, 2023, the company has adopted the amendments to existing Ind AS vide Companies (Indian Accounting Standard) Amendment Rules, 2023. These amendments to the extent relevant to the company's operation were amendment to Ind AS 1 "Presentation of Financial Statements" which requires the entities to disclose their material accounting policies rather than their significant accounting policies, Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" which has introduced a definition of 'accounting estimates' and include amendments to help entities distinguish changes in accounting policies from changes in accounting estimates. Further consequential amendments with respect to the concept of material accounting policies were also made in Ind AS 107 "Financial Instruments: Disclosures" and Ind AS 34 "Interim Financial Reporting".

There were other amendments in various standards including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations, Ind AS 109 "Financial Instruments", Ind AS 115 "Revenue from Contracts with Customers", Ind AS 12 "Income Taxes" which has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and Ind AS 102 "Share-based Payment" which have not been listed herein above since these were not relevant to the company.

Revision in these standards did not have any material impact on the profit/loss and earning per share for the year.

###### 2.3 Recent Accounting Pronouncements :

###### Standards issued but not yet effective :

Ministry of Corporate Affairs ("MCA") has not issued, under the Companies (Indian Accounting Standards) Rules, any new standards or made amendments to the existing standards under the said Rule, which are effective from 1st April, 2024 and applicable to the Company.



### 3. Material Accounting Policies

#### 3.1 Basis of Preparation

The Financial Statements have been prepared under the historical cost convention on accrual basis except for:

- a) certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period.
- b) 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; and
- c) Defined benefit plans- Plan Assets measured at fair value.

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

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Having regard to the nature of business being carried out by the Company, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification.

#### Functional /presentation currency and rounding-off of amounts

The items included in the financial statements (including notes thereon) are measured using the currency of the primary economic environment in which the Company operates ("the functional currency") and are, therefore, presented in Indian Rupees ("INR" or "Rupees" or "Rs." or "₹"). All amounts disclosed in the financial statements, including notes thereon, have been rounded off to the nearest two decimals of Lakhs unless otherwise stated.

#### 3.2 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.

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 (unobservable inputs).

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements and regularly reviews significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

#### 3.3 Property Plant and Equipment (PPE)

Property, plant and equipment are stated at cost of acquisition or deemed cost on the date of transition i.e. PPE which have been fair valued on transition to be considered as deemed cost or cost of 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 duties and taxes (net of input tax credit availed), inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences 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. In addition, Interest on Borrowings utilised to finance the construction of qualifying assets are capitalised as part of cost of the asset until such time that the asset is ready for its intended use.

Parts of an item of Property, Plant and Equipment 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.

Property, Plant and Equipment includes spare, stand by equipments and servicing equipments which are expected to be used for a period of more than twelve months and meet the recognition criteria of Plant, Property and Equipment. 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 carrying amount of the replaced part of property, plant and equipment consequent to additions made thereto is derecognised. The costs of servicing and repairs and maintenance of property, plant and equipment are recognised in the statement of profit and loss when incurred. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

The Company's lease assets comprising of Building have been separately shown under PPE as Right-of-Use (ROU) Assets.

Property, plant and equipment that are not ready for intended use on the balance sheet date are disclosed as "Capital work-in-progress". Capital work in progress includes purchase price, duties and taxes (net of input tax credit availed) and any directly attributable cost (including finance costs relating to borrowed funds utilised for construction or acquisition of property, plant and equipment incurred till projects are under implementation) of bringing the assets to their working condition and trial run expenses up to the date of installation. Such items are classified to the appropriate categories of Property, Plant and Equipment when gets completed and are ready for intended use. Amount paid towards acquisition of PPE outstanding as at each reporting date are recognized as capital advance under "Other Non-Current Assets."

**Depreciation and Amortization, Estimated useful lives and residual value:**

Depreciation on Property, Plant and equipment commences when the assets are ready for their intended use.

Depreciation on Property, Plant and Equipment is provided based on straight line method/written down value method as per the useful life specified under Schedule II of the Companies Act, 2013 to allocate their cost, net of their residual value. Subsequent additions to the cost of Property, Plant and Equipment are depreciated over the remaining life of mother asset.

Lease hold Building classified as ROU assets are amortised on straight line basis over the estimated useful lives (or lease term if shorter).

No depreciation is charged on Freehold land.

Depreciation on Property, Plant and Equipment 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

The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

The residual value of an item of Property, Plant and Equipment has been kept at 5 percent or less of the cost of the respective assets.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

**3.4 Leases**

The Company's lease asset classes primarily consist of leases for Buildings. The Company assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

1. The contract involves the use of an identified asset.
2. The Company has substantially all of the economic benefits from use of the asset through the period of the lease and.
3. The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options considered for arriving at ROU and lease liabilities when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset (under PPE) have been separately disclosed in the Balance Sheet and lease payments have been classified as part of financing cash flows.

### 3.5 Derecognition of Tangible and ROU assets

An item of Property, plant and equipment (including ROU assets) 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 Property, Plant and Equipment 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.

### 3.6 Impairment of Tangible and ROU assets

Tangible and ROU 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.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

### 3.7 Financial Instruments

Financial assets and financial liabilities are recognized in the Balance sheet when the Company becomes a party to the contractual provisions of financial instruments. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

#### A. Financial assets

##### I. Initial recognition and measurement

The financial assets include investments, trade receivables, loans and advances, cash and cash equivalents, derivative financial instruments, bank balances other than cash and cash equivalents, and other financial assets.

Financial assets are initially measured at fair value.

Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### II. Subsequent measurement

**For the purpose of subsequent measurement, financial assets are classified in the following categories:**

- (i) at amortized cost,
- (ii) at fair value through other comprehensive income (FVTOCI), and
- (iii) at fair value through profit or loss (FVTPL)

##### (a) Financial assets at amortized cost

A 'financial asset' is measured at the amortized cost if the following two conditions are met:

- (i) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortized cost is determined using the Effective Interest Rate ("EIR") method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the Financial instruments or, where appropriate, a shorter period.

##### (b) Financial assets 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 both for collection of contractual cash flows and for selling the financial assets, and contractual terms of the financial assets give rise to cash flows representing solely payments of principal and interest.

For the purpose of para (a) and (b) 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.

##### (c) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are not classified in any of the categories above are classified at fair value through profit or loss.

**(d) Equity investments**

Equity investments in the scope of Ind AS 109 are measured at fair value except for investments in subsidiaries and associates, which are carried at cost.

The Company makes an election to present changes in fair value either through other comprehensive income or through profit or loss on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income. However, dividends on equity instruments on fair value through other comprehensive income (FVTOCI) is recognised in profit or loss.

In addition, profit or loss arising on sale is also taken to other comprehensive income. The amount accumulated in this respect is transferred within the Equity on derecognition.

**III. De-recognition**

The Company derecognizes 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 the third party.

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

On derecognition of assets measured at FVTOCI (except equity instruments) the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

**IV. Cash and cash equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts 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.

**B. Financial liabilities**

**I. Initial recognition and measurement**

The financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts, etc.

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial

liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

**II. Subsequent measurement**

For subsequent measurement, financial liabilities are classified into two categories:

- (i) Financial liabilities at amortized cost
- (ii) Derivative instruments at fair value through profit or loss (FVTPL).

**Financial liabilities at amortized cost**

After initial recognition, financial liabilities are subsequently measured at amortized cost using the EIR method. When the financial liabilities are derecognized, gains and losses are recognized in profit or loss. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the Financial instruments or, where appropriate, a shorter period.

**III. De-recognition**

Financial liabilities are derecognized 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 derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

**C. Offsetting of financial instruments**

Financial assets and financial liabilities, including derivative financial instruments, are offset, and the net amount is reported in the Balance sheet if there is currently an enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

**D. Derivative and Hedge Accounting**

**Initial Recognition and Subsequent measurement**

The company enters into derivative financial instruments such as foreign exchange forward and swap contracts to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies. The company uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the company. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments", is categorized as a financial asset/ financial liability, at fair value through profit or loss. Transaction costs attributable are also recognized in Standalone Statement of profit and loss.

Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the Standalone Statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective.

Hedging instrument which no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity remains therein till that time and thereafter to the extent hedge accounting being discontinued is recognised in Standalone Statement of profit and loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Standalone Statement of profit and loss.

### 3.8 Impairment of assets

#### A. Non Financial Assets

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs of disposal, and its value in use.

To assess impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If, at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognised is reversed so that the asset is recognised at its recoverable amount but not exceeding the value which would have been reported in this respect if the impairment loss had not been recognised.

#### B. Financial Assets

A financial asset is assessed for impairment at each balance sheet 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. The company recognises loss allowances using the Expected Credit Loss ("ECL") model for financial assets measured at amortised cost.

The company recognises lifetime expected credit losses for trade receivables. Loss allowance equal to the lifetime expected credit losses are recognised if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

### 3.9 Biological Assets

Unharvested Clonal plants are measured at fair value less cost to sell with changes in fair value recognised in Statement of Profit and Loss.

### 3.10 Inventories

The inventories are valued at lower of cost or net realisable value after providing for obsolescence, if any. 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 of traded goods include cost of purchase and other cost incurred in bringing the inventory to their present location and condition.

Cost in respect of process stock represents, cost incurred up to the stage of completion.

Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale.

### 3.11 Assets 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.

Non-current asset classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a Non-current asset classified as held for sale are presented separately from other liabilities in the balance sheet.



### 3.12 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. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate as at the date of transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in the Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

### 3.13 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.

Incremental costs directly attributable to the issuance of new equity shares and buy-back of equity shares are shown as a deduction from the Equity net of any tax effects.

### 3.14 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.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is 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.

Provisions, Contingent liabilities, and Contingent assets are reviewed at each balance sheet date.

### 3.15 Employee Benefits

Employee benefits are accrued in the year in which services are rendered by the employee.

#### Short term Employee Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

#### Other Long Term Employee Benefits

Leave encashment benefits are payable to employees while in service, retirement and on death while in service or on termination of employment. With respect to accumulated leaves outstanding at the year-end, liability for leave are accounted for on the basis of actuarial valuation at the balance sheet date. The cost of providing long term employee benefits consisting of leave encashment that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation. Bifurcation of liabilities into Current and Non-current are done based on actuarial valuation report.

#### Post Employment Benefits

The Company operates the following post employment schemes:

##### - Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for

each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Bifurcation of liabilities into Current and Non-current are done based on actuarial valuation report.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

#### - Defined Contribution Plans

In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme the Central Government at a determined rate. The Company's contribution is charged off to the Statement of Profit and Loss as and when incurred.

### 3.16 Revenue

#### Revenue from contract with customer:

#### Revenue from Operations

Revenue from contracts with customers is accounted for only when it has commercial substance, and all the following criteria are met:

- (i) Parties to the contract have approved the contract and are committed to performing their respective obligations;
- (ii) Each party's rights regarding the goods or services to be transferred and payment terms there against can be identified;
- (iii) consideration in exchange for the goods or service to be transferred is collectible and determinable.

The revenue is recognized on satisfaction of performance obligation, when control over the goods or services has been transferred and/ or goods/ services are delivered/ provided to the customers. Delivery occurs when the goods have

been shipped or delivered to a specific location, and the customer has either accepted the goods under the contract or the Company has sufficient evidence that all the criteria for acceptance have been satisfied.

Revenue is measured at the amount of transaction price (consideration specified in the contract with the customers) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of rebates, claims and discounts, returns, Goods and Service Tax (GST) and such other taxes collected on behalf of third party not being economic benefits flowing to the company are excluded from revenue. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

#### Other Operating Revenue-Export Benefits :

Export incentives are accounted for in the year of export if the entitlements and realisability thereof can be estimated with reasonable accuracy and conditions precedent to such benefit is fulfilled.

#### 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 which ever is earlier.

### 3.17 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized 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.

### 3.18 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.

### 3.19 Earning 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.

### 3.20 Segment Reporting

Operating segments are identified and reported taking into account the different risk and return, organisation structure and in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). CODM is responsible for allocating resources and assessing performance of the operating segments, financial results, forecasts or plan for the segment and accordingly is identified as the chief operating decision maker.

The company operates in one business segment of Paper, Paper Board and related products being primary segment and all other activities revolve around the main activity.

### 3.21 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 their exists no significant uncertainty with regard to the collection. Revenue grants including subsidy/rebates are credited to the Statement of Profit and Loss Account under "Other Operating Income". Grants which are meant for purchase, construction

or otherwise acquire non current assets are recognized as Deferred Income and transferred to the Statement of Profit and Loss on a systematic basis over the useful life of the respective asset. Grants relating to non-depreciable assets is transferred to the Statement of Profit and Loss over the periods as specified for meeting the obligations related to such grants.

### 3.22 Exceptional items

Exceptional items include income or expenses that are part of ordinary activities. However, they are of such significance and nature that separate disclosure enables the user of financial statements to understand the impact more clearly. These items are identified by their size or nature to facilitate comparison with prior periods and assess underlying trends in the Company's financial performance.

### 3.23 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing flows. Accordingly, the Company's cash flows from operating, investing, and financing activities are segregated.

For reporting Standalone Statement of Cash Flows, cash and cash equivalents consist of cash on hand, cheques on hand, balance with banks, and short term highly liquid investments, as stated above, net of outstanding book overdrafts, as they are considered an integral part of the Company's cash management.

## 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. The notes dealt with in 4.1 to 4.6 below provide an overview of the areas that involved a high degree of judgement or complexity and of items which are likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements are included in the relevant notes together with information about basis of calculation of each affected line item in the financial statements.

#### 4.1 Depreciation / Amortization and Impairment on Property, Plant and Equipment and ROU assets

Property, Plant and Equipment (including ROU assets) are depreciated/ amortized on Straight Line Basis/Written Down Value Basis over the estimated useful lives (or lease term, if shorter) in accordance with Schedule II to the Companies Act, 2013, taking into account the estimated residual value, wherever applicable. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

The company reviews its carrying value of its Tangible whenever there is objective evidence that the assets are impaired. In such situation assets recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted.

#### 4.2 Right-of-use assets and lease liability

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account among other

thing, the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

#### 4.3 Impairment allowances 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. In case of variation in financial condition the amount of impairment as recognised may vary having a significant impact on the Financial Statements.

#### 4.4 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. Also there are matters pending before various judicial authorities outcome whereof are uncertain. Further, material judgement and assumptions are involved for arriving at timing differences and consequential adjustments on account of deferred taxation.

#### 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.

#### 4.6 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.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/litigations/ against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.



### 36. FINANCIAL INSTRUMENTS

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

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets (Current and Non-Current)</b>				
<b>Financial Assets measured at Amortised Cost</b>				
Cash and cash equivalents	1,086.43	1,086.43	346.92	346.92
Other Bank Balances	1,398.72	1,398.72	14,042.11	14,042.11
Other Financial Assets	317.28	317.28	738.35	738.35
Trade Receivables	390.46	390.46	254.92	254.92
<b>Financial Assets designated at Fair Value through Profit and Loss Account</b>				
Investment in Mutual Funds	17,676.35	17,676.35	2,869.13	2,869.13
<b>Financial Assets designated at Fair Value through Other Comprehensive Income</b>				
Investment in Equity Instruments	1,710.87	1,710.87	1,815.62	1,815.62
<b>(a) Total Financial Assets</b>	<b>22,580.11</b>	<b>22,580.11</b>	<b>20,067.05</b>	<b>20,067.05</b>
<b>Financial Liabilities (Current and Non-Current)</b>				
<b>Financial Liabilities designated at Amortised Cost</b>				
Trade Payables	2,420.38	2,420.38	3,038.82	3,038.82
Lease Liability	500.51	500.51	13.56	13.56
Other Financial Liabilities	3,254.37	3,254.37	2,402.10	2,402.10
<b>Total of Financial Liabilities</b>	<b>6175.26</b>	<b>6175.26</b>	<b>5454.48</b>	<b>5454.48</b>

#### 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, Price to Earnings 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, 2024:

(₹ in Lakhs)

Particulars	As at March 31, 2024	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
<b>Financial Assets</b>				
Investment in Mutual Funds	17,676.35	17,676.35	-	-
	(2,869.13)	(2,869.13)	-	-
Investment in Equity Instruments(Non-Current)	1,710.87	-	-	1,710.87
	<b>(1,815.62)</b>	-	-	<b>(1,815.62)</b>

(\*) Figures in round brackets ( ) indicate figures as at March 31, 2023

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, 2024, 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 amortized based on the borrowing rate of the company.

Equity Instruments are valued based on the market value of investments held by that company, Price to Earnings 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.

**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 customers of Rs. 155.36 lakhs which accounted for more than 10% of the accounts receivable as at March 31, 2024.

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, 2024. The Company does not have any borrowings hence there is no interest risk.

**MATURITY ANALYSIS OF FINANCIAL LIABILITIES**

As at March 31, 2024

(₹ in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Other Liabilities	3,254.37	-	3,254.37	-	-	3,254.37
Trade and other payables	2,420.38	-	2,420.38	-	-	2,420.38

As at March 31, 2023

(₹ in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Other Liabilities	2,402.10	-	2,402.10	-	-	2,402.10
Trade and other payables	3,038.82	-	3,038.82	-	-	3,038.82

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.

Since there is no debt outstanding as on March 31, 2024 and March 31, 2023, so the disclosures of Capital Gearing Ratio for the same period has not been furnished

**37. POST RETIREMENT EMPLOYEE BENEFITS**

The disclosures required under Indian 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 :

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Employer's Contribution to Provident Fund and Family Pension Fund	115.41	98.75

**b) Defined Benefit Plans**

The company has a defined benefit Gratuity plan. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The Company makes annual contribution of Gratuity to Life Insurance Corporation of India.

The Company also extends benefit of compensated absences to the employee, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan.

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.

Particulars	Gratuity (Funded)		Pension (Non Funded)		Leave Encashment (Non Funded)	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>a) Change in the Present value of the defined benefit obligation:</b>						
Liability at the beginning of the year	498.22	578.21	280.42	311.85	126.98	116.85
Interest Cost	33.98	37.61	18.90	21.07	7.80	6.95
Current Service Cost	45.92	40.01	0.57	0.59	17.70	14.19
Actuarial (gain) / loss on obligations	31.17	(17.80)	6.81	(10.55)	35.22	30.94
Benefits paid	(78.12)	(139.81)	(36.66)	(42.54)	(43.15)	(41.95)
<b>Liability at the end of the year</b>	<b>531.17</b>	<b>498.22</b>	<b>270.04</b>	<b>280.42</b>	<b>144.55</b>	<b>126.98</b>
<b>b) Changes in the Fair Value of Plan Asset</b>						
Fair value of Plan Assets at the beginning of the year	456.24	431.00	-	-	-	-
prior period adjustment	-	-	-	-	-	-
Expected Return on Plan Assets	32.54	31.72	-	-	-	-
Contributions by the Company	45.00	135.00	36.66	42.54	43.15	41.95
Benefits paid	(78.12)	(139.81)	(36.66)	(42.54)	(43.15)	(41.95)
Actuarial gain / (loss) on Plan Assets	1.51	(1.66)	-	-	-	-
<b>Fair value of Plan Assets at the end of the year</b>	<b>457.17</b>	<b>456.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>c) Actual return on Plan Asset</b>						
Expected return on Plan assets	32.54	31.72	-	-	-	-
Actuarial gain / (loss) on Plan Assets	1.51	(1.66)	-	-	-	-
<b>Actual Return on Plan Assets</b>	<b>34.05</b>	<b>30.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>d) Amount Recognized in Balance Sheet</b>						
Liability at the end of the year	531.17	498.22	270.04	280.42	144.55	126.98
Fair value of Plan Assets at the end of the year	457.17	456.25	-	-	-	-
	<b>74.00</b>	<b>41.97</b>	<b>270.04</b>	<b>280.42</b>	<b>144.55</b>	<b>126.98</b>
<b>e) Components of Defined Benefit Cost</b>						
Current Service Cost	45.92	40.01	0.57	0.59	17.70	14.19
Interest Cost	33.98	37.61	18.90	21.07	7.80	6.95
Expected Return on Plan Assets	(32.54)	(31.72)	-	-	-	-
prior period adjustment	-	-	-	-	-	-
Net Actuarial (gain) / loss on remeasurement recognised in OCI	29.67	(16.04)	6.81	(10.55)	35.22	30.94
<b>Total Defined Benefit Cost recognised in Profit and Loss and OCI</b>	<b>77.03</b>	<b>29.86</b>	<b>26.28</b>	<b>11.11</b>	<b>60.72</b>	<b>52.08</b>
<b>f) Balance Sheet Reconciliation</b>						
Opening Net Liability	41.97	147.11	280.42	311.85	126.98	116.85
Expenses as above	77.03	29.86	26.28	11.11	60.72	52.08
Employers Contribution	(45.00)	(135.00)	(36.66)	(42.54)	(43.15)	(41.95)
<b>Amount Recognized in Balance Sheet</b>	<b>74.00</b>	<b>41.97</b>	<b>270.03</b>	<b>280.42</b>	<b>144.55</b>	<b>126.98</b>





Particulars	Gratuity (Funded)		Pension (Non Funded)		Leave Encashment (Non Funded)	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>g) Principal Actuarial assumptions as at the Balance Sheet date</b>						
Discount Rate(Per annum)	7.19%	7.40%	7.21%	7.35%	7.19%	7.40%
Salary Growth Rate (Per annum)	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Rate of Return on Plan Assets	7.40%	7.40%	NA	NA	NA	NA

Notes:

- Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the period over which the obligation is expected to be settled.
- The Company contributed Rs 45.00 lakhs (Previous Year Rs. 135.00 lakhs) to Gratuity fund in 2023-24.

**Recognised in Other Comprehensive Income**

(₹ in Lakhs)

Particulars	Gratuity	Pension
Remeasurement - Actuarial loss/(gain)		
For the year ended March 31, 2023	(16.04)	(10.55)
Remeasurement - Actuarial loss/(gain)		
For the year ended March 31, 2024	29.67	6.81

**Percentage allocation of plan assets in respect of fund managed by insurer/trust is as follows:**

**Sensitivity analysis:**

(₹ in Lakhs)

Particulars	Change in Assumption	Effect in Gratuity Obligation	Effect in Pension Obligation	Effect in Leave Obligation
<b>For the year ended 31st March, 2023</b>				
Discount Rate	+1%	(15.13)	(4.63)	(5.25)
	-1%	16.51	5.14	5.76
Salary Growth Rate	+1%	16.30	1.02	5.37
	-1%	(15.18)	(0.98)	(4.98)
<b>For the year ended 31st March, 2024</b>				
Discount Rate	+1%	(18.12)	(4.31)	(6.31)
	-1%	19.81	4.79	6.94
Salary Growth Rate	+1%	19.01	0.78	6.47
	-1%	(17.64)	(0.75)	(5.97)

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 and withdrawal are not material and hence impact of change not calculated.

**History of experience adjustments is as follows:**

(₹ in Lakhs)

Particulars	Gratuity	Pension	Leave
<b>For the year ended March 31, 2023</b>			
Plan Liabilities - (loss)/gain	(16.04)	(10.55)	30.94
Plan Assets - (loss)/gain	-	-	-
<b>For the year ended March 31, 2024</b>			
Plan Liabilities - (loss)/gain	29.67	6.81	35.22
Plan Assets - (loss)/gain	-	-	-



**Maturity Profile of Defined Benefit Obligation**

(₹ in Lakhs)

Expected Cash Flows over the next (valued on undiscounted basis)	Gratuity	Pension	Leave
1 year	148.12	29.75	20.62
2 to 5 years	256.77	107.66	67.33
6 to 10 years	141.15	163.34	43.76
More than 10 years	183.56		85.37

**38. CALCULATION OF EARNING PER SHARE IS AS FOLLOWS:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss (Rs. in Lakhs)	6,400.32	6,567.31
<b>Net profit for basic and diluted earnings per share</b>	<b>6,400.32</b>	<b>6,567.31</b>
Number of equity shares outstanding as on 31st March		
(b) Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value Rs. 10/- per share)	15,608,350	15,608,350
	<b>15,608,350</b>	<b>15,608,350</b>
(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:		
i) Basic (Rs.)	<b>41.01</b>	<b>42.08</b>
ii) Diluted (Rs.)	<b>41.01</b>	<b>42.08</b>

**39. COMMITMENTS NOT PROVIDED FOR**

Estimated amount of contracts remaining to be executed on capital account (net of advances of Rs.20.26 Lakhs) Rs.86.74 Lakhs whereas for March 31, 2023 ( net of advance of Rs.18.91 Lakhs) is Rs. 339.78 Lakhs

**40. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Various show cause notices/demands issued/ raised, which in the opinion of the management are not tenable and are pending with various forum / authorities:		
1. Sales Tax including Trade Tax (demand paid under protest is ₹ 278.54 lakhs)	843.20	851.92
2. Excise Duty	0.00	4.84
3. Electric Duty	2.70	2.70
4. Employees State Insurances Corporation	11.57	11.57
5. Forest Department Dues	69.10	69.10
6. Entry tax on fuels, etc.(demand paid under protest Rs.25 lakhs)	71.92	49.00
7. Workers Claims	52.15	50.65
8. Compensation Claimed by Railway Authorities	3200.00	3200.00
9. Income Tax	1734.93	1583.35
10. GST (demand paid under protest ₹ 24.88 lakhs)	1718.48	1145.82
11. Municipal Corporation (Nagar Nigam)	468.77	181.45
12. Others	560.00	560.00

Note: The Company's pending litigations comprises of claim against the company and proceedings pending with Taxation/ Statutory/ Government Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed the contingent liabilities, where applicable, in its financial statements.

**40.1 Contingent Assets :**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business , unresolved claims remains outstanding. The inflow of economic benefits , in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

**41. 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**

<b>1) Key Management Personnel (KMP) and their members,relatives and Other Directors</b>	Mr. G.P. Goenka - Chairman Emeritus, Relative of a director
	Mr. S. Sharma -Chairman
	Mr. M. Mishra - Managing Director
	Mr. S.V. Goenka - Director
	Mr. C.M. Vasudev - Director
	Dr. (Mrs.) Sheela Bhide (with effect from 7th April, 2023)
	Mrs. Pragya Jhunjhunwala- Director
	Mr. Sanjeev Garg - Chief Financial Officer
	Mr. Saurabh Arora - Company Secretary
	Mrs. M. Mishra - wife of Managing Director
<b>2) Promoter Group Companies and Enterprise where Directors and/or their relative have significant influence or control</b>	Kavita Marketing Private Limited
	Duncans Tea Limited
	Continuous Form ( Calcutta) Limited
	Albert Trading Company Private Limited
	Silent Valley Investments Limited
<b>3) Enterprise who has significant influence on the company</b>	I S G Traders Limited

**B) Transactions With Related Parties**

(₹ in Lakhs)

Particulars	For the Year March 31, 2024	For the Year March 31, 2023
<b>Key Management Personnel (KMP)</b>		
Short Term Employee Benefits*	520.71	459.63
Benefits to Non-Executive Directors inclusive of sitting fees	15.60	13.40

\* 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.

(₹ in Lakhs)

Particulars	For the Year March 31, 2024	For the Year March 31, 2023
<b>Remuneration</b>		
Mr. M. Mishra	459.88	407.72
Mr. S. Sharma	4.00	4.00
Smt. Pragya Jhunjhunwala	1.60	1.30
Mr. S.V. Goenka	4.00	3.90
Mr. C.M. Vasudev	3.60	3.60

Particulars	For the Year March 31, 2024	For the Year March 31, 2023
Dr. (Mrs.) Sheela Bhide	2.40	-
Mr. S. Srivastav	-	0.60
Mr. Sanjeev Garg	38.83	35.15
Mr. Saurabh Arora	22.00	16.76
<b>Total</b>	<b>536.31</b>	<b>473.03</b>

(₹ in Lakhs)

Particulars	For the Year March 31, 2024	For the Year March 31, 2023
<b>Consultancy Fee</b>		
Mr. G.P. Goenka	306.60	270.00
<b>Interest</b>		
I S G Traders Limited	0.35	0.26
<b>Brand Usage Fees (Refer Note No. 32.5)</b>		
I S G Traders Limited	327.99	-
<b>Rent</b>		
Mrs. M. Mishra	25.35	25.35
Kavita Marketing Private Limited	3.30	3.30
Duncans Tea Limited	2.83	2.83
<b>Total</b>	<b>31.48</b>	<b>31.48</b>
<b>Dividend</b>		
I S G Traders Limited	246.53	172.56
Mr.S.V. Goenka	2.28	1.59
<b>Total</b>	<b>248.81</b>	<b>174.15</b>

**C) Closing Balance Of Related Parties**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Remuneration</b>		
Mr. G.P. Goenka	169.00	169.00
Mr. M. Mishra	15.42	127.28
Mr. Sanjeev Garg	1.44	1.51
Mr. Saurabh Arora	0.48	0.74
<b>Total</b>	<b>186.34</b>	<b>298.53</b>
<b>Consultancy Fee</b>		
Mr. G.P. Goenka	30.78	-
<b>Rent Payable</b>		
Duncans Tea Limited	-	0.94
Kavita Marketing Private Limited	-	1.24
Mrs. M. Mishra	2.08	2.08
<b>Total</b>	<b>2.08</b>	<b>4.26</b>
<b>Security Deposit given</b>		
Mrs. M. Mishra	14.00	14.00



Particulars	As at March 31, 2024	As at March 31, 2023
Kavita Marketing Private Limited	35.00	35.00
<b>Total</b>	<b>49.00</b>	<b>49.00</b>
<b>Interest Payable</b>		
I S G Traders Limited	6.77	6.77
<b>Advance Received</b>		
I S G Traders Limited	2.37	2.05
<b>Security Deposit received</b>		
I S G Traders Limited	5.00	5.00
<b>Investment in shares</b>		
I S G Traders Limited (Refer Note No. 41.C.1)	1,710.87	1,815.62

41.C.1 Investment in I S G Traders Limited has been shown at fair value. Cost of investment in I S G Traders Limited is Rs. 3,579.89 lakhs (as at March 31,2023 Rs.3,579.89 lakhs) (Refer Note No.2.2).

41.C.2 Reference is invited to Note No.50 regarding disqualification of the director and the amount of remuneration paid in earlier years and lying unpaid as on this date.

#### 41.1 Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash. The Company has not provided any guarantee to related parties towards their borrowing facilities. For the year ended March 31, 2024, the Company has not recorded any impairment allowances in respect of receivables relating to amounts owed by related parties (March 31, 2023 Rs. NIL). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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

#### 42. SEGMENT REPORTING

a) The Company operates mainly in one business segment viz Paper, Paper Board and related products 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:

(₹ in Lakhs)

Particulars	2023-24			2022-23		
	Within India	Outside India	Total	Within India	Outside India	Total
Sales	43,504.83	227.55	<b>43,732.38</b>	47,930.39	342.05	<b>48,272.44</b>
Non-Current Assets other than financial instruments	43,881.54	-	<b>43,881.54</b>	42,191.89	-	<b>42,191.89</b>

b) Sales to three Customers of the Company is Rs. 16,798.90 lakhs (Previous Year Rs.16,354.81 lakhs) which is more than 10% of the Company's total turnover.

#### 43. REVENUE FROM CONTRACTS WITH CUSTOMERS :

- (a) Disaggregated revenue information (Refer Note No. 42)  
(b) Contract Balances

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade Receivables	390.46	254.92
Contract Liabilities	259.30	358.59

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 despatch of goods to customer.

- (c) Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price :

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Revenue as per the Contracted Price	46,503.95	50,520.01
Claim ,Discount, Rebates etc.	(2,771.57)	(2,247.57)
Revenue from Contract with Customers	43,732.38	48,272.44

**44. PARTICULARS OF LOANS GIVEN, AS PER SECTION 186(4) OF THE COMPANIES ACT,2013.**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023	Purpose
Loan given to Emperor Commercial and Tradco Private Limited (Refer Note No.44.1)	45.00	45.00	For general corporate purpose

- 44.1 In absence of certainty with regard to recovery thereof, entire amount of Rs.45 Lakhs has been considered doubtful as provided in the books of accounts in earlier year and no interest income has been recognised on such loan thereafter.

**45. 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:

Particulars	As at	As at	Fair value hierarchy	Valuation techniques and key inputs
	31st March, 2024	31st March, 2023		
Unharvested clonal plants	57.90	19.64	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.

46. 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.

47. Trade Receivables, Trade payables and advances recoverable are subject to confirmation /reconciliation and consequential adjustments,if any arising thereof. In the opinion of the management current assets, loans and advances will have on realisation in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet.

**48. DISCLOSURE REGARDING BORROWED FUNDS HAVE BEEN CONSIDERED PART OF OTHER DISCLOSURES:**

No funds 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(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



49. RATIO ANALYSIS AND ITS ELEMENTS

Sl. No.	Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% Change	Reason for variance (where change is more than 25 %)
(1)	<b>Current ratio</b>	Current Assets	Current Liabilities	6.20	5.25	18.07%	
(2)	<b>Debt- Equity Ratio</b>	Long Term Borrowing (+) Current Maturities on long term debt (+) Total lease liabilities	Total Equity  Computed as : Share Capital(+) Other Equity	0.01	0.02	-66.10%	lease liabilities has increased as compared to previous year
(3)	<b>Debt Service Coverage ratio</b>	Profit for the year [i.e. Profit after tax] (+) Depreciation and Amortisation expense(+) Finance cost on leases	Finance cost(+) Current Lease Liabilities+ Current Maturities of Long Term Debt	73.50	523.42	-85.96%	lease liabilities has increased as compared to previous year
(4)	<b>Return on Equity ratio</b>	Profit for the year [i.e. Profit After Tax]	Average Total Equity	0.10	0.12	-11.37%	
(5)	<b>Inventory Turnover ratio</b>	Revenue from operations	Average total Inventory	4.22	5.65	-25.36%	Revenue from operations has decreased and Inventory has increased as compared to previous year.
(6)	<b>Trade Receivable Turnover Ratio</b>	Revenue from operations	Closing Trade Receivable	113.83	189.36	-39.89%	Revenue from operations has decreased as compared to previous year.
(7)	<b>Trade Payable Turnover Ratio</b>	Total Purchases	Closing Trade Payables	9.95	11.70	-15.02%	
(8)	<b>Net Capital Turnover Ratio</b>	Revenue from operations	Average Working capital  computed as Average Current Assets (-) Average Current Liabilities	1.75	2.44	-28.50%	Revenue from operations has decreased as compared to previous year.
(9)	<b>Net Profit ratio</b>	Profit for the year [i.e. Profit After Tax]	Revenue from operations	0.14	0.13	8.03%	
(10)	<b>Return on Capital Employed</b>	Profit Before tax(+) Exceptional Items (+) Interest on long term borrowings (+) Interest on Lease Liability	Average Capital Employed  Capital Employed Computed as Total Equity(-) Intangible assets (+) Long Term Borrowings (+) Current maturities of long term debt(+) Total lease liabilities(+) Deferred tax liabilities	0.11	0.13	-9.66%	
(11)	<b>Return on Investment</b>						
	(a)Equity Instrument	Loss on fair valuation of equity instrument	Average Investment in Equity Instrument	(0.06)	(0.05)	26.54%	Fair valuation of investment has decreased as compared to previous year.
	(b) Mutual Fund	Gain on sale and fair value of mutual fund	Average Investment in Mutual Fund	0.12	0.04	240.44%	Fair valuation of investment in mutual fund has increased as compared to previous year.

50. An erstwhile Director who had been disqualified under section 164(2) with respect to an another company in which he was director, has filed a writ petition before the Honorable High Court Calcutta challenging the said disqualification and the matter is pending before the said court as on this date. Pending descision of the court, remuneration of Rs.169 lakhs as agreed upon even though provided for in earlier years has not been paid. Remuneration of Rs.555.13 lakhs paid prior to filing of the writ petition, however, remain charged out in the accounts and recoverability thereof is subject to the descision of the court. Consequental, adjustments depending on the decision of the court will be given effect to in the year of determination.

#### 51. EXCEPTIONAL ITEMS

(i) In respect of current year, exceptional items represent losses arising due to incidence of fire on 18th December, 2023 in the Company's plot at Saharanpur. Losses incurred on account of destructions, damage of inventory(wood) amounting to Rs.175.16 Lakhs and other expenses for repairs etc amounting to Rs. 4.65 Lakhs, have been aggregated and shown under Exceptional Items in the Financial Statements of the company .

(ii) In respect of previous year, exceptional items represents losses arising due to incidences of fire on 2nd November 2022 and 06th March 2023 in the finishing house area and one of the godown respectively at Company's plant at Saharanpur. In case of fire on 2nd November 2022, operations remained suspended for nine days till 10th November 2022. Losses incurred on account of destructions, damage of inventories amounting to Rs.1196.58 Lakhs (including Rs. 338.47 Lakhs pertaining to fire on 06th March 2023) and repairs, clearing up expenses etc amounting to Rs. 29.15 Lakhs , have been aggregated and after adjusting the amount of recovery against sale of waste etc. have been shown under exceptional items in the financial results of the Company.

(iii) Claims on account of insurance with respect to above are being given effect to on crystallisation of the amount in this respect.

#### 51.1 Detail of exceptional items are as under:

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Loss of Inventories:</b>		
Stock in process	-	518.67
Finished Goods	-	365.92
Raw materials (wood)	175.16	338.47
Less: Recovery on sale of waste/scraps etc.	-	(26.48)
<b>Loss of Inventories(Net of Recovery)</b>	<b>175.16</b>	<b>1,196.58</b>
Expenses on repairs, clearing up of site etc	4.65	40.83
Less: Recovery on sale of scrap of Property, Plant and Equipment	-	(11.68)
<b>Expenses(Net of Recovery)</b>	<b>4.65</b>	<b>29.15</b>
<b>Loss due to fire shown under exceptional items</b>	<b>179.81</b>	<b>1,225.73</b>

#### 52. Other Disclosure required under Schedule III of the Companies Act,2013 :

##### (a) Struck off companies balances

Based on the information to the extent available with the company,the following table depicts the details transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

##### Share Held By the Struck off Companies

Name Of Companies	Nature of Transaction	Balance outstanding as at 31st March, 2024		Balance outstanding as at 31st March, 2023		Relationship with struck off companies
		No. of shares	Amount of Share Capital	No. of shares	Amount of Share Capital	
Ezra Trading and Finance Company Limited	Shares held by struck off companies	200	2000	200	2000	-
Rajdarshan Consultants and Executors Private Limited		100	1000	100	1000	
Aakriti Finvest Private Limited		100	1000	100	1000	

(b) The company has not been declared as a wilful defaulter by any Banks or Financial Institutions or any other Lender.





STAR BRAND

Star Paper Mills Limited

- (c) The Company does not have any Benami Property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.
- (d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (e) The company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- (f) The company has no any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act,1961.

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

54. These financial statements have been approved by the Board of Directors of the company on 24th May, 2024.

**As per our report of even date**

**For Lodha & Co, LLP**

Chartered Accountants

**(Boman R.Parakh)**

Partner

**Shiromani sharma**

Chairman

Place : New Delhi

Date : 24<sup>th</sup> May, 2024

**Saurabh Arora**

Company Secretary

**Sanjeev K. Garg**

Chief Financial Officer

**Madhukar Mishra**

Managing director

**Shrivardhan Goenka**

Director

# Statement of Cash Flow

for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	8,090.47	8,334.21
<b>Adjustments for :</b>		
Depreciation and Amortization expenses	544.10	527.62
Loss on discard of Property Plant and Equipment	1.48	61.05
Profit on sale of Current Investment	(7.60)	(173.13)
Foreign Exchange Fluctuations	(0.49)	1.22
Fair Value Adjustment	(1,275.35)	(52.39)
Interest Income	(664.62)	(646.31)
Liabilities no longer required written back	(297.44)	(602.76)
Finance Costs	83.76	55.94
<b>Operating Profit before Working Capital changes</b>	<b>6,474.31</b>	<b>7,505.45</b>
<b>Adjustments for :</b>		
Change in Financial Assets and Non Financial Assets	123.19	278.26
Change in Inventories and Biological Assets	(1,959.08)	(2,038.98)
Change in Trade Receivables	(135.54)	346.12
Change in Financial and Other Liabilities and Trade Payables	312.43	609.99
<b>Cash generated from Operations</b>	<b>4,815.30</b>	<b>6,700.84</b>
Income Tax Paid	(2,231.53)	(2,024.22)
<b>Net Cashflow from Operating Activities (A)</b>	<b>2,583.77</b>	<b>4,676.62</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of Property Plant and Equipment	(1,119.31)	(474.70)
Sale of Property Plant and Equipment	-	13.27
Sale of Investments	507.60	13,488.53
Purchase of Investments	(14,070.13)	(6,699.99)
Maturity/(Deposits) with bank for more than 3 months	12,643.39	(10,617.61)
Interest Received	1,090.00	178.10
<b>Net Cash used in Investing Activities (B)</b>	<b>(948.45)</b>	<b>(4,112.40)</b>
<b>C. Cash Flow from Financing Activities</b>		
Repayment of lease liabilities	(64.72)	(56.38)
Dividend Paid	(774.69)	(540.66)
Interest Paid	(56.40)	(53.25)
<b>Net Cash used in Financing Activities (C)</b>	<b>(895.81)</b>	<b>(650.29)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	739.51	(86.07)
Cash and Cash Equivalents at the Beginning of the year (Refer Note No. 9a)	346.92	432.99
Cash and Cash Equivalents at the End of the year (Refer Note No. 9a)	<b>1,086.43</b>	<b>346.92</b>

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in IND AS - 7.



## 2. Cash and Cash Equivalent includes:

(₹ in Lakhs)

Balances with Banks	Year Ended 31st March 2024	Year Ended 31st March 2023
In Current Accounts	184.99	343.41
In Fixed Deposits with Banks (having original maturity of less than 3 months)	900.00	-
Cash in Hand	1.44	3.51
	<b>1086.43</b>	<b>346.92</b>

## 3. Reconciliation of liabilities arising from financing activities :

(Rs. in Lakhs)

Particulars	As at March 31, 2023	Proceeds raised	Non cash adjustment	Repayment	As at March 31, 2024
Lease Liability	13.56	524.31	27.36	64.72	500.51
<b>Total</b>	<b>13.56</b>	<b>524.31</b>	<b>27.36</b>	<b>64.72</b>	<b>500.51</b>

Material Accounting Policies and Notes to Accounts (Note No. 1 – 54)

As per our report of even date

For Lodha &amp; Co, LLP

Chartered Accountants

(Boman R.Parakh)

Partner

Shiromani sharma

Chairman

Place : New Delhi

Date : 24<sup>th</sup> May, 2024

Saurabh Arora

Company Secretary

Sanjeev K. Garg

Chief Financial Officer

Madhukar Mishra

Managing director

Shrivardhan Goenka

Director





## STAR PAPER MILLS LIMITED

Registered Office : Duncan House, 2nd Floor, 31 Netaji Subhas Road, Kolkata-700 001