



18<sup>th</sup> August 2023

**emami\* paper mills limited**

regd. office : 687 anandapur e.m. bypass kolkata 700 107 india  
phone: 91 33 6613 6264 fax : 91 33 6613 6900 email : emamipaper@emamipaper.com website : www.emamipaper.in  
CIN : L21019WB1981PLC034161

To  
The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400 001  
Scrip Code: 533208

To  
The Secretary  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051  
NSE Symbol-EMAMIPAP

Dear Sir/Madam,

**Sub:** Submission of the Notice of 41<sup>st</sup> Annual General Meeting ("AGM/41<sup>st</sup> AGM") and Annual Report for the Financial Year 2022-23

In continuation of our letter dated 10<sup>th</sup> August,2023 regarding the intimation of the 41<sup>st</sup> AGM of the Company scheduled to be held on Tuesday, 12<sup>th</sup> September,2023 and pursuant to Regulation 30, 34 & other applicable Regulation, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") we are submitting herewith a copy of the Notice of the 41<sup>st</sup> AGM and the Annual Report of the Company for the financial year 2022-23 including the Business Responsibility and Sustainability Report.

In compliance with the relevant circulars of the Ministry of Corporate Affairs and SEBI, the Notice of the 41<sup>st</sup> AGM and the Annual Report for the financial year 2022-23 are being circulated to the shareholders through electronic mode, to those shareholders whose email IDs are registered with the RTA/Depository Participants.

The Notice of the 41<sup>st</sup> AGM and the Annual Report for the financial year 2022-23 are also uploaded on the Company's website at [www.emamipaper.in](http://www.emamipaper.in)

Kindly take the same on record.

Thanking you,  
Yours faithfully,  
For **Emami Paper Mills Limited**,

Debendra Banthiya  
**Company Secretary**  
**M. No. F-7790**  
Encl.: as above





## Emami Paper Mills Limited

**Registered Office:** 687, Anandapur, 1st Floor, E.M. Bypass, Kolkata - 700107

**Phone:** +91 33 6613 6264

**Email:** investor.relations@emamipaper.com

**Website:** www.emamipaper.in

**CIN:** L21019WB1981PLC034161

# Notice

**NOTICE** is hereby given that the **Forty-First Annual General Meeting** ("AGM/41st AGM") of the Members of Emami Paper Mills Limited ("the Company") will be held on **Tuesday, 12th September, 2023 at 11:00 A.M. (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") facility to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend @ 8% p.a., i.e. ₹ 8/- per Preference Share of the face value of ₹ 100/- each and @ 80% i.e. ₹ 1.60 per Equity Share of the face value of ₹ 2/- each for the financial year 2022-23.
3. To appoint a Director in place of Mr. Manish Goenka (DIN: 00363093), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. Ratification of Remuneration to Cost Auditors for the financial year 2023-24.

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for payment of remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and out of pocket expenses, for conducting audit of the cost accounting records of the Company for the financial year 2023-24 as may be applicable to the Company, to

M/s. V.K.Jain & Co., Cost Accountants (Firm's Registration No: 00049) who were re-appointed as Cost Auditors of the Company by the Board of Directors of the Company at its meeting held on 26th May, 2023".

5. Re-appointment of Mr. Manish Goenka (DIN: 00363093) as a Whole-time Director, liable to retire by rotation, and payment of remuneration.

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

**"RESOLVED THAT** pursuant to the provisions of the Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, if any, read with relevant Rules and Schedule V made thereunder ("Act") (including any statutory modification(s) or re-enactment(s) thereof), the Articles of Association of the Company and applicable Regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee and Board of Directors, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Manish Goenka (DIN:00363093) as Whole-time Director, liable to retire by rotation, for a period of approx. 3 (three) years from 15th July, 2023 to 30th June, 2026, designated as Vice Chairman of the Company w.e.f. 9th August, 2023 on the terms and conditions including payment of remuneration as set out in the explanatory statement annexed to this Notice convening this meeting and as enumerated in the Agreement dated 26th May, 2023 and supplemental agreement dated 9th August, 2023 respectively entered into between the company and Mr. Manish Goenka, which has been submitted to this meeting and are also be and are hereby specifically approved.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of Mr. Manish Goenka, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration as set out in the explanatory statement and Agreement dated 26th May,

2023 and supplemental agreement dated 9th August, 2023 as minimum remuneration notwithstanding that such remuneration is in excess of the limits specified in the Act or Listing Regulations (including any statutory modification(s) thereof from time to time).

**RESOLVED FURTHER THAT** re-appointment of Mr. Manish Goenka as a Director of the Company immediately on retirement by rotation shall not be deemed to constitute a break in his appointment/service as Whole-time Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) be and is hereby authorized to alter and vary the terms and conditions of the said appointment and / or remuneration of Mr. Manish Goenka as it may deem fit and as may be acceptable to him and to do all acts, deeds and things as it may in its absolute discretion deem necessary, as may be deemed proper and expedient to give effect to this aforesaid Resolution and to settle any question or doubt that may arise in the said regard."

6. Revision in the terms of remuneration of Mr. Aditya V. Agarwal (DIN - 00149717), Executive Chairman of the Company.

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

**"RESOLVED THAT** in partial modification of the Resolution passed by the Shareholders of the Company at the Thirty-Ninth Annual General Meeting of the Company held on Friday, 27th August, 2021, for the re-appointment of Mr. Aditya V. Agarwal (DIN: 00149717) as the Whole-time Director, designated as "Executive Chairman", for a period of 3 (three) years w.e.f. 1st November, 2021 on the terms and conditions including remuneration mentioned therein and pursuant to the provisions of the Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, if any, read with relevant Rules and Schedule V made thereunder ("Act") (including any statutory modification(s) or re-enactment(s) thereof), the Articles of Association of the Company and applicable Regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee and Board of Directors, the consent of the Members of the Company be and is hereby accorded to the revision in remuneration of Mr. Aditya V. Agarwal with effect from 1st April, 2023, as set out in the explanatory statement and supplemental agreement dated 9th August, 2023, entered into between the Company and Mr. Aditya V. Agarwal which has been submitted to this meeting and is also be and is hereby specifically approved.

**RESOLVED FURTHER THAT** except for the revision in the remuneration as set out in the explanatory statement and supplemental agreement dated 9th August, 2023, all other terms and conditions of appointment and remuneration, as approved by the Shareholders at the Thirty-Ninth Annual

General Meeting of the Company held on Friday, 27th August, 2021, shall remain unchanged and continue to be effective.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of Mr. Aditya V. Agarwal, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration as set out in the explanatory statement and supplemental agreement dated 9th August, 2023 as minimum remuneration notwithstanding that such remuneration is in excess of the limits specified in the Act or Listing Regulations (including any statutory modification(s) thereof from time to time).

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) be and is hereby authorized to alter and vary the terms and conditions of the said appointment and / or remuneration of Mr. Aditya V. Agarwal as it may deem fit and as may be acceptable to him and to do all acts, deeds and things as it may in its absolute discretion deem necessary, as may be deemed proper and expedient to give effect to this aforesaid Resolution and to settle any question or doubt that may arise in the said regard."

7. Re-appointment of Mr. Vivek Chawla (DIN:02696336) as a Whole-time Director, liable to retire by rotation, designated as Whole-time Director & Chief Executive Officer (CEO) and payment of remuneration.

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

**"RESOLVED THAT** pursuant to the provisions of the Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, if any, read with relevant Rules and Schedule V made thereunder ("Act") (including any statutory modification(s) or re-enactment(s) thereof), the Articles of Association of the Company and applicable Regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee and Board of Directors, the consent of the Members of the Company, be and is hereby accorded to the re-appointment of Mr. Vivek Chawla (DIN:02696336) as Whole-time Director, liable to retire by rotation, designated as Whole-time Director & Chief Executive Officer (CEO) for a period of 3 (three) years from 2nd December, 2023 to 1st December, 2026 on the terms and conditions including payment of remuneration as set out in the explanatory statement annexed to this Notice convening this meeting and as enumerated in the Agreement dated 9th August, 2023 entered into between the company and Mr. Vivek Chawla, which has been submitted to this meeting and is also be and is hereby specifically approved.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of Mr. Vivek Chawla, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration as set out in the explanatory statement and Agreement dated 9th August, 2023 as minimum remuneration notwithstanding that such

remuneration is in excess of the limits specified in the Act or Listing Regulations (including any statutory modification(s) thereof from time to time).

**RESOLVED FURTHER THAT** re-appointment of Mr. Vivek Chawla as a Director of the Company immediately on retirement by rotation shall not be deemed to constitute a break in his appointment/service as Whole-time Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) be and is hereby authorized to alter and vary the terms and conditions of the said appointment and / or remuneration of Mr. Vivek Chawla as it may deem fit and as may be acceptable to him and to do all acts, deeds and things as it may in its absolute discretion deem necessary, as may be deemed proper and expedient to give effect to this aforesaid Resolution and to settle any question or doubt that may arise in the said regard."

8. Approval under Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for payment of remuneration to Mr. Pitamber Sharan Patwari (DIN:00363356) as Non-Executive Non-Independent Director of the Company for the financial year 2023-24.

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force], the consent of the members of the company be and is hereby accorded for payment of remuneration to Mr. Pitamber Sharan Patwari (DIN:00363356) as Non-Executive Non-Independent Director of the Company for the financial year 2023-24, as approved by the shareholders of the Company by passing special resolution through Postal Ballot (remote e-voting), being an amount exceeding fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Company for the financial year 2023-24.

**RESOLVED FURTHER THAT** approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

By order of the Board of Directors  
For **Emami Paper Mills Limited**

Kolkata  
9<sup>th</sup> August, 2023

**Debendra Banthiya**  
Company Secretary  
M.No.: FCS 7790

## NOTES:

1. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 2/2022 and 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, May 5, 2022 and December 28, 2022, respectively, ("MCA Circulars") and Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, ("SEBI Circulars") has permitted the companies to conduct the Annual General Meeting through Video Conferencing facility/ Other Audio Visual Means ("VC/OAVM"). In compliance with the provision of the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA/SEBI Circulars, the 41st AGM of the Company is being held through VC/OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.

2. **Generally, a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM pursuant to the MCA and SEBI Circulars, physical attendance of Members has been dispensed with.** Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form, Attendance Slip, and Route Map of AGM Venue are not annexed hereto.

Institutional/Corporate Members are entitled to appoint authorized representative(s) pursuant to Section 113 of the Act to attend the Meeting. In this regard, they are requested to send a scanned copy of the Board Resolution/Authority letter authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through e-voting. The said Resolution/Authorization should be sent to the Scrutinizer by email through registered email address of the member to [sandipkej2@gmail.com](mailto:sandipkej2@gmail.com) with a copy marked to [investor.relations@emamipaper.com](mailto:investor.relations@emamipaper.com).

3. Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") relating to the business to be transacted at the meeting under Items No. 4,5,6,7 & 8 is annexed as Annexure I to this Notice. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) in respect of Directors seeking appointment/re-appointment and/or fixation of remuneration including variation in the terms of remuneration at the AGM forms part of this Notice and is also annexed as Annexure II. Information pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 in relation to items no. 5,6 & 7 forms part of this Notice and is also annexed as Annexure III.

4. **Voting through electronic means:** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI"), the Company is providing the facility of remote e-Voting/e-Voting to its Members in respect of the business to be transacted at the AGM.

For this purpose, the Company has appointed Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a Member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. The Company has engaged the services of CDSL also for the purpose of holding 41st AGM of the Company through VC/OAVM.

5. Members who have questions or seeking clarifications on the Annual Report or on the proposals as contained in this Notice are requested to send e-mail to the Company on [investor.relations@emamipaper.com](mailto:investor.relations@emamipaper.com) on or before Tuesday, 5th September, 2023. This would enable the Company to compile the information and provide the replies at the meeting. The Company will allot time for members to express their views or give comments during the meeting.

The members who wish to speak at the meeting need to register themselves as a speaker by sending an e-mail from their registered e-mail ID mentioning their name, DP ID and Client ID/Folio number and mobile number, on e-mail ID [investor.relations@emamipaper.com](mailto:investor.relations@emamipaper.com) on or before Tuesday, 5th September, 2023. Depending on the availability of time, the Company reserves the right to restrict the number of speakers at the meeting.

6. The Shareholders can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility to join the meeting shall be kept open throughout the Proceedings of AGM for the convenience of the Shareholders and for proper conduct of the AGM. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Shareholders on a first-come-first-served basis. This will not include large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first-come-first- served basis.

7. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted to ascertain the quorum under Section 103 of the Companies Act, 2013.



8. **Dispatch of Annual Report through Electronic Mode:** In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail address is registered with the Depository Participants/RTA, unless any member has requested for a physical copy of the same. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website at [www.emamipaper.in](http://www.emamipaper.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. at [www.evotingindia.com](http://www.evotingindia.com).

The transcript of the forthcoming AGM to be held on Tuesday, 12th September, 2023 shall be made available on the website of the Company at [www.emamipaper.in](http://www.emamipaper.in) as soon as possible after the meeting is over.

9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act, would be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice shall be made available for inspection electronically, from the date of circulation of this Notice, until the date of AGM, on receipt of a request by the Company at [investor.relations@emamipaper.com](mailto:investor.relations@emamipaper.com).
10. The Register of Members and Share Transfer Book of the Company will remain closed from Wednesday, 6th September, 2023 to Tuesday, 12th September, 2023 (both days inclusive) for the purpose of AGM and payment of dividend, if approved at the Meeting.
11. Those shareholders who have registered/not registered their e-mail address or registered an incorrect e-mail address and mobile numbers including address and bank details may please contact and validate/update their details with the Depository Participants in case of shares held in electronic form and with M/s. Maheshwari Datamatics Private Limited, Registrar & Transfer Agent of the Company ("RTA") in case of shares are held in physical form.
12. The holders of Physical shares, who have not yet registered/updated their email address, PAN, address, mobile number, bank account details, specimen signature and nomination are requested to kindly register/update the same by sending relevant documents in Form ISR-1.
13. Payment of dividend as recommended by the Board of Directors, if approved at the meeting, will be made to those members whose names are on the Company's Register of Members at the close of business hours on Tuesday, 5th September, 2023 and those whose names appear as Beneficial Owners as at the close of the business hours on Tuesday, 5th September, 2023 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose and the same will be paid within the statutory limit of 30 days. The withholding tax rates would vary depending on the residential status of every shareholder and the eligible documents submitted by them and accepted by the Company/RTA. Members are hereby requested to refer to the separate communication made in this regard along with this notice and take necessary actions, if required.
14. Pursuant to the amendments in the Income Tax Act, dividend income is taxable in the hands of the shareholders from 1st April 2020 and the Company is required to deduct tax at source ("TDS") from the dividend paid to the Members at the prescribed rates in the Income Tax Act, 1961("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per IT Act with their Depository Participants or in cases shares are held in physical form, with the Company by sending an email to the Company's e-mail address at [investor.relations@emamipaper.com](mailto:investor.relations@emamipaper.com) or the RTA at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com). The Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof for prescribed rates for various categories of Shareholders.
15. SEBI vide circular dated 16th March, 2023 has mandated shareholders holding securities in physical form to furnish/ update their PAN, Nomination Details, Contact Details (Address with PIN, mobile number, email address), bank account details and specimen signature for availing any investor service. Folios wherein any of the above information is not available by 1st October, 2023, shall be frozen. PAN to be furnished should be mandatorily linked with Aadhaar number of the holder by 30th June, 2023 or any other date as may be specified by Central Board of Direct Taxes. The folios in which PANs are not linked within the specified date shall also be frozen. Further w.e.f. 1st April, 2024, dividend in respect of such frozen folios shall be paid electronically only, upon complying with the aforesaid requirements. Further w.e.f. 31st December, 2025, the frozen folios shall be referred by the RTA/ the Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002. The relevant forms prescribed by SEBI for furnishing the above information are available on the website of the Company <http://www.emamipaper.in>. The concerned shareholders are requested to update the above details by submitting the prescribed forms to the RTA of the Company i.e M/s. Maheshwari Datamatics Private Limited having its office at 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001.
16. Members holding shares in physical mode may avail the facility of nomination in terms of Section 72 of the Act, by nominating any person to whom their shares in the Company shall vest on occurrence of events stated in Form SH-13. Form SH-13 is to be submitted in duplicate to M/s. Maheshwari Datamatics Limited, RTA of the Company. The prescribed Form is available on Company's website at <http://www.emamipaper.in> and on the website of the RTA at [www.mdpl.in](http://www.mdpl.in). In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.

17. Pursuant to Regulation 40 of the SEBI Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode w.e.f. 1st April, 2019. An investor is not prohibited from holding the shares in physical mode even after the said date, however, any investor desirous of transferring shares (which are held in physical mode) can do so only after the shares are dematerialized.  
  
Physical Shareholders are advised to dematerialise their shareholding to avail numerous benefits of dematerialisation, which include transferability, easy liquidity, trading, and elimination of any possibility of a loss of documents.
18. Members holding shares in the same name or in the same order of names but in several folios are requested to consolidate them into one folio.
19. Non-Resident Indian Shareholders are requested to inform the RTA of the Company immediately regarding:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account, maintained in India with complete name, branch, account type, account number and address of the bank with a pin code number, if not furnished earlier.
20. The Shareholders as on the cut-off date viz. Tuesday, 5th September 2023 shall only be eligible to vote on the resolutions mentioned in the Notice of the AGM.
21. The Shareholders shall have one vote per equity share held by them. The facility of voting would be provided once for every folio/client id, irrespective of a number of joint holders. In case of joint holders, the Members whose name appears as the first holder in the order of names, as per the Register of Members of the Company will be entitled to vote electronically at the AGM.
22. Any person, who acquires shares of the Company and becomes a member of the Company after dispatching of the Notice of the 41st Annual General Meeting and holding shares as on the cut-off date i.e. Tuesday, 5th September, 2023 may obtain the Login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if a person is already registered with CDSL for e-Voting then existing User ID and password can be used for casting vote.
23. In this Notice, the terms Member(s) or Shareholder(s) are used interchangeably.
24. The Company's Statutory Auditors, M/s. S K Agrawal and Co Chartered Accountants LLP, Chartered Accountants, (Firm Registration No. 306033E/E300272), were appointed as the Statutory Auditors of the Company for a period of 5 years at the 40th Annual General Meeting held on August, 19, 2022 i.e. upto the conclusion of the 45th Annual General Meeting to be held in the calendar year 2027 on the remuneration to be determined by the Board of Directors.
25. In order to provide protection against fraudulent encashment of dividend warrants, the Shareholders, holding shares in physical form are requested to provide, if not already provided, their bank account number, name and address of the Bank and Branch.
26. In case the shares are held in dematerialized form, the above intimation, along with any request for effecting changes in the details provided earlier, should only be forwarded to the respective depository participants.
27. Shareholders are requested to immediately notify the Company their change of Address, Mandate Bank Particulars, etc. to ensure prompt action. Shareholders are requested to clearly mention their Registered Folio Number in every correspondence with the Company. In case the shares are held in dematerialized form, the above-mentioned intimation is to be forwarded to the respective depository participants.
28. Those Shareholders who have not encashed their dividend warrants for the Financial years 2015-16 and onwards may return the time-barred dividend warrants to the Company's Share Transfer Agents, M/s Maheshwari Datamatics Pvt. Ltd., 23 R. N. Mukherjee Road, 5th Floor, Kolkata-700 001 for the issue of duplicate dividend warrants.
29. In terms of Section 124(5) of the Act, dividend amount for the FY 2015-16 which remaining unclaimed for a period of 7 (seven) years shall become due for transfer in 16th September, 2023 to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, in terms of Section 124(6) of the Act, in case of Shareholders whose dividends are unpaid for a continuous period of 7 (seven) years, the corresponding shares shall be transferred to the IEPF's demat account. Members who have not claimed dividends from FY 2016 onwards are requested to approach the Company/RTA for claiming the same at the earliest to avoid transfer of relevant shares to IEPF's demat account. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2023 on the website of the Company i.e. [www.emamipaper.in](http://www.emamipaper.in).
30. Unclaimed/Uncashed dividend upto the years ended 31st March, 2015 have already been transferred to the IEPF. The Statement containing the details of Name, Folio No. and Number of Shares transferred to IEPF Suspense Account is available on company's website. Shareholders can claim the transferred shares along with dividends from the IEPF Authority in Form IEPF 5 (available on [iepf.gov.in](http://iepf.gov.in)) as per the procedure prescribed in the IEPF Rules.
31. The Board vide its resolution passed on 26th May, 2023 have appointed Mr. Sandip Kumar Kejriwal (CP No. 3821) Practicing Company Secretary as the Scrutinizer and M/s P. Sarawagi & Associates (CP No. 4882), Company Secretaries, as the alternate Scrutinizer for conducting the e-Voting process in a fair and transparent manner.
32. The Scrutinizer will submit his final and consolidated report to the Chairman of the Company within two working days after the conclusion of the Annual General Meeting. The Scrutinizer's decision on the validity of all kinds of voting will be final.

33. The results of the remote e-Voting/e-Voting at Annual General Meeting shall be declared by the Chairman or his authorized representative or any one Director of the Company after the Annual General Meeting within the prescribed time limits. The results along with the Scrutinizers Report shall be placed on the website of the Company i.e. [www.emamipaper.in](http://www.emamipaper.in) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) immediately after declaration of results. The Results will also be forwarded to the Stock Exchanges where the shares of the Company are listed.

## PROCEDURES FOR THE SHAREHOLDERS FOR REMOTE E-VOTING:

### THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on **Saturday, 9th September, 2023 at 10:00 a.m.** and ends on **Monday, 11th September, 2023 at 05:00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Tuesday, 5th September, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasinew/home/login">https://web.cdslindia.com/myeasinew/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/ KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasinew/Registration/EasiRegistration">https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</a>.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-4886 7000 and 022-2499 7000

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) Login method for e-voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (ii) After entering these details appropriately, click on "SUBMIT" tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant Emami Paper Mills Limited on which you choose to vote.
- (vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at email id: [sandipkej2@gmail.com](mailto:sandipkej2@gmail.com) and to the Company at the email address viz; [investor.relations@emamipaper.com](mailto:investor.relations@emamipaper.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
9. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

## PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to the RTA at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com).
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futrex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33

By order of the Board of Directors  
For **Emami Paper Mills Limited**

**Debendra Banthiya**  
Company Secretary  
M.No.: FCS 7790

Kolkata  
9<sup>th</sup> August, 2023

**ANNEXURE-I TO THE NOTICE OF ANNUAL GENERAL MEETING****STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")****ITEM NO. 4**

Upon the recommendation of the Audit Committee, the Board of Directors in its meeting held on 26th May, 2023 has appointed M/s. V. K. Jain & Co., Cost Accountants (Firm's Registration number: 00049) as Cost Auditors for conducting audit of the cost records of the Company as applicable to the Company for the financial year 2023-24 at a remuneration of ₹ 1,50,000 (Rupees One Lakh Fifty Thousand Only) plus taxes as applicable and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 and Rules made thereunder, the remuneration to be paid to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, ratification by the shareholders is sought for the remuneration to be paid to the Cost Auditors for the financial year ending 31st March, 2024 by passing an Ordinary Resolution as set out at **Item No.4** of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise in this Resolution.

The Board recommends the **Ordinary Resolution** as set out at **Item No. 4** of the Notice for ratification by the Shareholders.

**ITEM NO. 5**

Mr. Manish Goenka was re-appointed as the Whole-time Director of the Company for a period of 3 years (approx.) w.e.f. 1st August, 2020 to 14th July, 2023 with the approval of the Shareholders at the Annual General Meeting held on 21st September, 2020. Further, the Board of Directors of the Company ("the Board") at its meeting held on 26th May, 2023, has re-appointed Mr. Manish Goenka, as Whole-time Director, subject to approval of the Shareholders of the Company, for a period of approx. 3 years w.e.f. 15th July, 2023 to 30th June, 2026 at a remuneration recommended by the Nomination and Remuneration Committee & Audit Committee ("the Committee") of the Board.

Mr. Manish Goenka, Whole-time Director, shall discharge specific duties and functions of system development under SAP, Marketing and its strategy formulation, scope of new marketing exposure and corporate planning under the superintendence, direction and control of the Board of Directors from time to time. For this purpose, an agreement has been entered into by the Company with Mr. Manish Goenka on 26th May, 2023.

Further, as recommended by the Nomination and Remuneration Committee & Audit Committee ("the Committee") of the Board of Directors of the Company, the Board at its meeting held on 9th August, 2023, elevated Mr. Manish Goenka as Vice Chairman of the Company w.e.f. 9th August, 2023 and subsequently his remuneration has been revised w.e.f. 15th July, 2023 taking into consideration the performance of the company and rationalisation in the salary structure of the Whole-time Directors of the Company, subject to approval of the Shareholders of the Company, detailed as under:

**A. PERIOD OF APPOINTMENT:** 15th July, 2023 to 30th June, 2026

**B. SALARY:**

- **Salary** - ₹ 15,00,000/- (Rupees Fifteen Lac Only) per month w.e.f. 15th July, 2023. Salary shall be in the range of ₹ 15,00,000/- (Rupees Fifteen Lac Only) to ₹ 18,00,000/- (Rupees Eighteen Lac Only) per month, payable monthly, during the currency of the tenure of Mr. Manish Goenka.

Annual increment(s) as aforesaid will be considered by the Board of Directors on merits and at its absolute discretion, which will be effective from 1st April, each year.

- **Commission** - Such remuneration by way of commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company at the end of each financial year, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013 or any modification or enactment thereof. The specific amount payable to Mr. Manish Goenka will be based on performance as evaluated by the Nomination and Remuneration Committee or the Board and will be payable annually.
- **Incentive Remuneration** - In case where the net profits of the Company are inadequate for payment of profit-linked commission in any financial year, incentive remuneration may be paid up to an amount not exceeding 100% of Annual Salary to be paid at the discretion of the Board and subject to further approvals as may be required. This incentive remuneration would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board.
- No sitting fees will be paid for attending the meeting of the Board of Directors or Committees thereof.

**C. BONUS:** As per the rules of the Company.

**D. PERQUISITES:**

- I. Unfurnished accommodation shall be provided by the Company.
- II. Medical Reimbursement: Reimbursement or Medical Allowance for self and dependent family members (Limited to spouse, Children, and dependent parents) subject to a monetary ceiling of one month's salary.
- III. Leave Travel Allowance: Reimbursement or Leave Travel Allowance for self and dependent family members (Limited to spouse, Children, and dependent parents) subject to a monetary ceiling of one month's salary.
- IV. Provision of car & Telephone Expenses: Use of the Company's chauffeur-driven car for Official use and reimbursement of telephone expenses including mobile phone (for payment of local calls and long-distance official calls).
- V. The perquisites shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such rules, the perquisites shall be evaluated at actual cost.
- VI. Mr. Manish Goenka shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration.
  1. Contribution to Provident Fund, Superannuation Fund, and Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
  2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
  3. Encashment of unavailed earned leave at the end of the tenure.

**E. MINIMUM REMUNERATION**

Notwithstanding anything contained in this part where in any financial year during the currency of the term of Office, the Company has no profits or its profits are inadequate, it may pay the aforesaid remuneration as Minimum remuneration.

Mr. Manish Goenka satisfies all the conditions set out in Part I of Schedule V to the Act read with Section 196 of the Act and he is not disqualified from being re-appointed as Director in terms of Section 164 of the Act.

Brief resume of Mr. Manish Goenka and other disclosures relating to him are provided in "Annexure II" & "III" to the Notice pursuant to the provisions of the Companies Act, 2013 read with Schedule V, SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India.

It is proposed to seek the Shareholders' approval for the re-appointment of and remuneration payable to Mr. Manish Goenka, as Whole-time Director, in terms of the provisions of the Act. This approval is also taken as an approval under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

Mr. Manish Goenka is interested in the resolution set out at **Item No. 5** of the Notice with regard to his re-appointment and payment of remuneration. Relatives of Mr. Manish Goenka may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above none of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at **Item No. 5** of the Notice. The Board believes that the Company will be benefited from his rich and varied experience. Accordingly, the Board commends the **Special Resolution** set out at **Item No. 5** of the Notice for approval by the Shareholders.



**ITEM NO. 6**

At Thirty-Ninth Annual General Meeting, the Shareholders of the Company approved the re-appointment of Mr. Aditya V. Agarwal as the Executive Chairman of the Company, for a period of 3 (three) years, w.e.f. 1st November, 2021 to 31st October, 2024.

Upon the recommendation of the Nomination and Remuneration Committee of the Company and approval of Audit Committee, the Board at its meeting held on 9th August, 2023, taking into consideration the performance of the company and rationalisation in the salary structure of the Whole-time Directors of the Company, proposed the revision in his remuneration, detailed as under, w.e.f 1st April, 2023:

- **Salary** - ₹ 15,00,000/- (Rupees Fifteen Lac Only) per month w.e.f 1st April, 2023. Salary shall be in the range of ₹ 15,00,000/- (Rupees Fifteen Lac Only) to ₹ 18,00,000/- (Rupees Eighteen Lac Only) per month, payable monthly, during the currency of the tenure of the Mr. Aditya V. Agarwal.

Annual increment(s) as aforesaid will be considered by the Board of Directors on merits and at its absolute discretion which will be effective from 1st April, each year.

- **Commission** - Such remuneration by way of commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company at the end of each financial year, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013 or any modification or enactment thereof. The specific amount payable to Mr. Aditya V. Agarwal will be based on performance as evaluated by the Nomination and Remuneration Committee or the Board and will be payable annually.
- **Incentive Remuneration** - In case where the net profits of the Company are inadequate for payment of profit-linked commission in any financial year, incentive remuneration may be paid up to an amount not exceeding 100% of Annual Salary to be paid at the discretion of the Board and subject to further approvals as may be required. This incentive remuneration would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board.

The above Remuneration shall be subject to the ceiling prescribed under Section 196,197 read with Schedule V of the Act and the Nomination and Remuneration Committee is authorized to make such changes in remuneration, if so required as per the said Act. If in any financial year during currency of the term of his Office, the Company has no profits or its profits are inadequate, it may pay the aforesaid remuneration as Minimum remuneration notwithstanding that such remuneration is in excess of the limits specified in the Act or SEBI Listing Regulations (including any statutory modification(s) thereof from time to time).

For the said purpose, the supplemental agreement dated 9th August, 2023 has been entered into by the Company with Mr. Aditya V. Agarwal. All other terms and conditions as mentioned in Agreement dated 1st June, 2021, remains unaltered.

It is proposed to seek the shareholder's approval for the revision in remuneration payable to Mr. Aditya V. Agarwal, as Executive Chairman, in terms of the provision of the Act. This approval shall also be deemed to be an approval under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief profile of Mr. Aditya V. Agarwal and all the disclosures relating to him are provided in "Annexure- II & III" to the Notice pursuant to the provisions of the Companies Act, 2013 read with Schedule V, SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India.

Mr. Aditya V. Agarwal is interested in the resolution set out at **Item No. 6** of the Notice with regard to his payment of remuneration. Relatives of Mr. Aditya V. Agarwal may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above none of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at **Item No.6** of the Notice. The Board believes that the Company will be benefited from his rich and varied experience. Accordingly, the Board commends the **Special Resolution** set out at **Item No. 6** of the Notice for approval by the Shareholders.

**ITEM NO. 7**

Mr. Vivek Chawla was appointed as the Whole-time Director of the Company for a period of 3 years w.e.f. 2nd December 2020 to 1st December 2023, with the approval of the Shareholders at the Annual General Meeting held on 27th August, 2021. Presently, Mr. Vivek Chawla is designated as Whole-time Director & Chief Executive Officer (CEO) of the Company.

Further, the Board of Directors of the Company ("the Board") at its meeting held on 9th August, 2023, has re-appointed Mr. Vivek Chawla, as Whole-time Director, designated as Whole-time Director & CEO, subject to approval of the Shareholders of the Company, for a period of 3 years w.e.f. 2nd December, 2023 to 1st December, 2026 at an existing terms of remuneration as recommended by the

Nomination and Remuneration Committee & Audit Committee ("the Committee") of the Board. It is proposed to seek the Shareholders' approval for the reappointment of and remuneration payable to Mr. Vivek Chawla, as Whole-time Director, designated as Whole-time Director & CEO in terms of the provisions of the Act. The main terms of his reappointment as Whole-time director are furnished below:

**A. PERIOD OF APPOINTMENT:** 2nd December, 2023 to 1st December, 2026

**B. SALARY:** Basic monthly salary of ₹ 18,15,000 (Rupees Eighteen Lakhs Fifteen Thousand Only). Based on the merit and performance of the Company, the Annual increment(s) will be sanctioned by the Chairman which will be effective 1st April each year, subject to a monetary ceiling of 15% per annum.

**C. BONUS:** As per the rules of the Company.

**D. PERQUISITES:**

- I. House Rent Allowance of ₹ 9,07,500 (Rupees Nine Lakhs Seven Thousand and Five Hundred Only) per month.
- II. Special Allowance of ₹ 10,34,149 (Rupees Ten Lakhs Thirty Four Thousand One Hundred and Forty Nine Only) per month.
- III. Performance Linked Allowance of ₹ 75,24,000 (Rupees Seventy Five Lakhs Twenty Four Thousand Only ) per annum.
- IV. Reimbursement of Medical Allowance for self and dependent family members (Limited to spouse, children and dependent parents), subject to a monetary ceiling of one month's salary.
- V. Leave Travel Allowance for self and dependent family members (Limited to spouse, children and dependent parents), subject to a monetary ceiling of one month's salary.
- VI. Use of Company's Car for official purposes and reimbursement of mobile and telephone expenses at residence (including payment for local calls and long-distance official calls.)
- VII. Mr. Vivek Chawla shall also be eligible to the following perquisites, which shall not be included in the computation to the ceiling on remuneration.
  - a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
  - b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
  - c. Encashment of un-availed leave at the end of the tenure.

**E.** No sitting fees will be paid for attending the meeting of the Board of Directors or Committees thereof.

**F. MINIMUM REMUNERATION**

Notwithstanding anything contained in this part where in any financial year during the currency of the term of Office, the Company has no profits or its profits are inadequate, it may pay the aforesaid remuneration as Minimum remuneration notwithstanding that such remuneration is in excess of the limits specified in the Act or SEBI Listing Regulations (including any statutory modification(s) thereof from time to time).

Mr. Vivek Chawla will manage and control all affairs including operations of the Company. He shall discharge his duties and functions under the superintendence, direction and control of the Board of Directors and/or Chairman from time to time. For the said purpose, an agreement has been entered into by the Company with Mr. Vivek Chawla on 9th August, 2023.

Mr. Vivek Chawla satisfies all the conditions set out in Part I of Schedule V to the Act read with Section 196 of the Act and he is not disqualified from being appointed as Director in terms of Section 164 of the Act. It is proposed to seek the Shareholders approval for the reappointment of and remuneration payable to Mr. Vivek Chawla, as Whole-time Director, in terms of the provisions of the Act.

Brief resume of Mr. Vivek Chawla and other disclosures relating to him are provided in "Annexure II" & "III" to the Notice pursuant to the provisions of the Companies Act, 2013 read with Schedule V, SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India.

Mr. Vivek Chawla is interested in the resolution set out at **Item No. 7** of the Notice with regard to his re-appointment and payment of remuneration. Relatives of Mr. Vivek Chawla may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above none of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at **Item No. 7** of the Notice. The Board believes that the Company will be benefited from his rich and varied experience. Accordingly, the Board commends the **Special Resolution** set out at **Item No. 7** of the Notice for approval by the Shareholders.

**ITEM NO. 8**

The shareholders of the Company by passing Special Resolution through Postal Ballot had approved payment of remuneration to Mr. Pitamber Sharan Patwari, Non-executive Non-Independent Director details whereof is mentioned below for period of 3 years with effect from 1st April,2023 to 31st March,2026. The said special resolution was approved by the shareholders with 94.9 % of votes cast in favour of the resolution. The deemed date of passing the Special Resolution was the last date of e-voting i.e. 15th April,2023.

- Remuneration: ₹ 1,00,00,000 (Rupees One crore only) per annum w.ef. 1st April 2023, by way of monthly payment. He will not be entitled to sitting fees for attending the meeting of the Board and its Committees. Any revision in remuneration will be made after being approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee which shall be subject to the monetary revision of 15% per annum of the last yearly remuneration received.
- Reimbursements & Other Benefits: Reimbursement of expenses actually and properly incurred in the course of the Company's business including travel, use of the Company's car, and such other benefits as per the Company's policy.

In terms of Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by SEBI (LODR) (Amendment) Regulations, 2018, effective from 1st April, 2019, approval of shareholders by way of special resolution is required to be obtained every year in which the annual remuneration payable to a single Non-Executive Director exceeds fifty percent of the total annual remuneration paid / payable to all Non-Executive Directors.

As the remuneration payable to Mr. Patwari in the financial year 2023-24 is likely to exceed fifty percent of the total remuneration payable to Non-executive Directors of the Company, consent of the shareholders is sought for passing a Special Resolution as set out at **Item No. 8** of the Notice

In order to comply with requirement under Regulation 17(6)(ca) of SEBI LODR, approval of the shareholders is being sought by way of a special resolution, as set out in **Item No.8** of this notice.

Mr. Patwari is interested in the resolution set out at **Item No. 8** of the Notice with regard to payment of his remuneration. Relatives of Mr. Patwari may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the company. Save and except the above none of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at **Item No. 8** of the Notice.

The Board of Directors recommends the **Special Resolution** as set out at **Item No.8** of this Notice for your approval.

## ANNEXURE II TO THE NOTICE OF ANNUAL GENERAL MEETING

[Details of Directors pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015 and Secretarial Standard 2(SS-2)]

### ITEM NO. 3,5,6 & 7

Name of the Director	Mr. Manish Goenka	Mr. Aditya V. Agarwal	Mr. Vivek Chawla
Father's Name	Mr. R S Goenka	Mr. R S Agarwal	Late Shyam Sunder Chawla
Director Identification Number (DIN)	00363093	00149717	02696336
Date of Birth	07.02.1974	06.01.1975	10.06.1960
Nationality	Indian	Indian	Indian
Age ( in years)	49	48	63
Date of first appointment on the Board	01.02.2000	23.10.2000	02.12.2020
Present appointment in the capacity of	Whole-time Director designated as Vice Chairman	Whole-time Director designated as Executive Chairman	Whole-time Director designated as Whole-time Director & CEO
Qualifications	M.B.A.	B.Com	B.E (Hons.) in Mining Engineering from National Institute of Technology, Raipur, Diploma in Business Management, IGNOU
Expertise in specific functional area/brief resume,skillsets	He is an Industrialist with extensive business experience, expertise in marketing, corporate planning, business development, strategy formulation and overall management.	Well known Industrialist. Rich and varied experience in Finance, Corporate Planning, Business Development, Strategy formulation and overall management.	An Industry veteran with over 38 years of experience across multi-facets of Organization's Performance ranging from Operations to Management, Sales and Marketing to Strategy and Governance and Logistics to Commercial Operations.
Terms and Conditions of Appointment/ Re-appointment	Re-appointment as Whole-time Director, liable to retire by rotation. As per Explanatory Statement item no. 5	Revision in the remuneration of the Executive Chairman w.e.f 1st April,2023. As per Explanatory Statement item no. 6.	Re appointment as Whole-time Director, liable to retire by rotation. As per Explanatory Statement item no. 7
Remuneration last drawn ( including sitting fees, if any)	₹ 1,43,36,000/-	₹ 1,53,44,000/-	₹ 5,38,21,242/-
Remuneration proposed to be paid	Approval sought for remuneration as per item no. 5 of the Explanatory statement of the Notice.	Approval sought for revision of Remuneration as per item no. 6 of the Explanatory statement of the Notice.	Approval sought for remuneration as per item no. 7 of the Explanatory statement of the Notice.
Relationship with other directors/Key Managerial Personnel	No such relationship exists	Mrs. Richa Agarwal (Non-executive Director) – Spouse	No such relationship exists
Number of Meetings of the Board attended during the year	Attended 4(four) out of 5(five) Board Meetings	Attended 5(five) out of 5(five) Board Meetings	Attended 5(five) out of 5(five) Board Meetings
Directorships in other listed companies (excluding foreign companies and Section 8 companies) as on 31st March, 2023	None	Emami Limited	Star Cement Limited
Chairmanship/Membership in Audit and Stakeholders Relationship Committees in other listed companies as on 31st March, 2023	None	None	Star Cement Limited • Audit Committee – Member • Stakeholders Relationship Committee - Chairman
Listed entities from which resigned in past three years	None	None	None
Number of Equity shares held in the Company as on 31st March, 2023	87,000	12,500	NIL

**ANNEXURE III TO THE NOTICE OF ANNUAL GENERAL MEETING****STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF THE PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013****I. GENERAL INFORMATION**

- 1) **Nature of Industry** - Manufacturing and selling of 'PAPER AND PAPER BOARD' including 'Newsprint'
- 2) **Date or expected date of commencement of commercial production** - Not applicable
- 3) **In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus** - Not applicable.
- 4) **Financial Performance based on given indicators-**

(₹ in crores)

Sl. No.	Particulars	2022-23 (Audited)	2021-22 (Audited)	2020-21 (Audited)
a)	Paid up Equity Share Capital	12.10	12.10	12.10
b)	Reserve & Surplus (other Equities as per Ind AS) (as on balance sheet date)	443.10	397.40	283.84
c)	Sale/Income from operation	2,308.11	1,957.71	1,216.27
d)	Total Income	2,310.57	1,959.41	1,236.58
e)	Profit before exceptional items and tax	93.10	159.33	30.16
f)	Profit before tax	93.10	153.39	102.62
g)	Profit after tax	69.17	114.80	51.06
h)	Net worth	698.72	653.02	539.45

- 5) **Foreign investments or collaborations, if any** – Not applicable

**II. INFORMATION ABOUT THE APPOINTEE:**

Particulars	Mr. Manish Goenka		Mr. Aditya V. Agarwal		Mr. Vivek Chawla	
1. Background details						
- Education Qualification	M.B.A.		B.Com		B.E (Hons.) in Mining Engineering from National Institute of Technology, Raipur, Diploma in Business Management, IGNOU	
- Experience	He is an Industrialist with extensive business experience, expertise in marketing, corporate planning, business development, strategy formulation and overall management.		Well known Industrialist. Rich and varied experience in Finance, Corporate Planning, Business Development, Strategy formulation and overall management.		An Industry veteran with over 38 years of experience across multi-facets of Organization's Performance ranging from Operations to Management, Sales and Marketing to Strategy and Governance and Logistics to Commercial Operations.	
2. Past Remuneration for the Past three years	Year	Amount in ₹	Year	Amount in ₹	Year	Amount in ₹
	2020-21	71,96,400/-	2020-21	1,13,76,053/-	2020-21	1,35,76,066/-* (Appointed as Whole-time Director w.e.f 02.12.2020)
	2021-22	1,39,32,643/-	2021-22	1,57,60,958/-	2021-22	5,21,92,867/-
	2022-23	1,43,36,000/-	2022-23	1,53,44,000/-	2022-23	5,38,21,242/-
3. Recognition or awards	He has been awarded by various Chamber of Commerce.		He has been awarded by various Chamber of Commerce.		Not applicable	



Particulars	Mr. Manish Goenka	Mr. Aditya V. Agarwal	Mr. Vivek Chawla
4. Job profile & suitability	<ul style="list-style-type: none"> <li>• Mr. Manish Goenka has made significant contribution for system development under SAP. Under his leadership marketing organization has been performing exceedingly well and the Company is commanding a respectable position in the paper industry.</li> <li>• With his rich and varied experience backed by family background, Mr. Manish Goenka has contributed significantly to consolidating the paper business during the critical integration phase before and after merger of two units and commissioning of Paper Machine No. III and IV for Multi-Layer Coated Board Paper project including captive power plant at Balasore, Odisha.</li> <li>• Considering his ability, commendable leadership, expertise in system development under SAP, Marketing, business development, strategy formulation, overall management, dedicated service, commitment and experience and with a view to avail his service for sustaining the growth and progress of the Company, the Board considered it necessary to re-appoint Mr. Manish Goenka as Whole-time Director of the Company for a period of approx. 3(Three) years w.e.f 15th July,2023 to 30th June,2026. Accordingly, the Board of Director in its meeting held on 26th May, 2023 re-appointed Mr. Manish Goenka as Whole-Time Director of the Company subject to approval of the Members at the ensuing Annual General Meeting.</li> </ul>	<ul style="list-style-type: none"> <li>• Mr. Aditya V. Agarwal presently holds office as Executive Chairman of the Company and has made significant contribution for development of the Company and discharge specific duties and functions of Business Development, Corporate Strategic Planning and Finance under the superintendence, direction and control of the Board of Directors.</li> <li>• He has successfully contributed in business development, corporate strategic planning and finance planning for expansion plan and working capital requirements for Multi-Layer Coated Board Paper project with a vision to reach the Company to become the largest Paper and Paper Board Manufacturer in the Country.</li> <li>• Under the Chairmanship of Mr. Aditya V. Agarwal, the turnover of the Company increased from ₹ 1,216 crore in FY 2020-21 to ₹ 2,308 crore in FY 2022-23.</li> <li>• Considering the extensive business experience, commendable leadership ability, expertise in Marketing, Corporate Planning, business development, strategy formulation and overall management capability of Mr. Aditya V. Agarwal, the Board of Directors at their meeting held on 09th August, 2023 proposed to revise his remuneration w.e.f 1st April, 2023 subject to the approval of the members of the Company at the Annual ensuing General Meeting.</li> </ul>	<ul style="list-style-type: none"> <li>• Mr. Vivek Chawla presently holds office as Whole-time Director designated as Whole-time Director &amp; CEO of the Company and manage and control all affairs including Operations of the Company and discharge his duties and functions under the superintendence, direction and control of the Board of Directors and/or Chairman.</li> <li>• Subsequent to his appointment the Company has seen a tremendous growth in turnover and in net worth.</li> <li>• Considering his ability and experience, commendable leadership, business acumen, dedicated service and with a view to avail his service for future sustainable growth and progress of the Company, the Board of Directors considered it is necessary to re-appoint Mr. Vivek Chawla. Accordingly, the Board of Directors at their meeting held on 9th August,2023 re-appointed Mr. Vivek Chawla as Whole-time Director designated as Whole-time Director &amp; CEO, effective from 2nd December, 2023 for a period of 3(three) years commencing from 2nd December,2023 to 1st December, 2026, subject to the approval of the Shareholders of the Company at the ensuing Annual general meeting.</li> </ul>
5. Remuneration Proposed	As detailed in the explanatory statement of Item No. 5 of this notice. The proposed remuneration is commensurate with the responsibilities of the appointee and is in line with the remuneration practices in the Paper & Paper Board industry.	As detailed in the explanatory statement of Item No. 6 of this notice. The proposed remuneration is commensurate with the responsibilities of the appointee and is in line with the remuneration practices in the Paper & Paper Board industry.	As detailed in the explanatory statement of Item No. 7 of this notice. The proposed remuneration is commensurate with the responsibilities of the appointee and is in line with the remuneration practices in the Paper & Paper Board industry.

Particulars	Mr. Manish Goenka	Mr. Aditya V. Agarwal	Mr. Vivek Chawla
6. Comparative remuneration Profile with respect to Industry, Size of the Company, profile of the position and person	Considering the size, complexity and nature of business the remuneration and other pecuniary benefits proposed to be paid to the Whole-time Directors are commensurate with the increased job requirements, responsibilities and is in the line with other similar companies.		
7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:	Besides the remuneration proposed and dividend on shares held in the Company, Mr. Manish Goenka does not have any other pecuniary relationship with the Company or any managerial personnel of the Company.	Besides the remuneration proposed and dividend on shares held in the Company, Mr. Aditya V. Agarwal does not have any other pecuniary relationship with the Company or any managerial personnel of the Company. Mr. Aditya V. Agarwal and Mrs. Richa Agarwal, Non-Executive Director, related to each other being spouse.	Besides the remuneration proposed, Mr. Vivek Chawla does not have any other pecuniary relationship with the Company or any managerial personnel of the Company.

### III. OTHER INFORMATION:

- 1) **Reasons of loss or inadequate profits** - The Company has a profitable operations but the remuneration proposed may not fall under the limits as specified under Section 197 of the Companies Act, 2013. The relevant information will be provided in the Board's Report for the relevant year in which inadequate profit/loss arise.
- 2) **Steps taken or proposed to be taken for improvement** - The Company has taken significant steps to reduce costs in line with the projected sales post COVID. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins. The relevant information will be provided in the Board's Report for the relevant year in which inadequate profit/loss arise.
- 3) **Expected increase in productivity and profit in measureable terms** - The Company is very conscious about improvement in productivity and undertakes continuous measures to improve it. However, it is extremely difficult in the present scenario to predict the profits in measurable terms. The relevant information will be provided in the Board's Report for the relevant year in which inadequate profit/loss arise.

### IV. DISCLOSURES:

- a) The details of remuneration proposed to the Directors, are given in the statement annexed herewith of this Notice.
- b) The Remuneration Package and other terms applicable to the Directors are also disclosed in the Corporate Governance Report forming part of the Annual Report of the Company.

By order of the Board  
For **Emami Paper Mills Limited**

**Debendra Banthiya**  
Company Secretary  
M.No.: FCS 7790

Kolkata  
9<sup>th</sup> August, 2023



## Emami Paper Mills Limited

**Registered Office:** 687, Anandapur, 1st Floor, E.M. Bypass, Kolkata - 700107

**Phone:** +91 33 6613 6264

**Email:** investor.relations@emamipaper.com

**Website:** www.emamipaper.in

**CIN:** L21019WB1981PLC034161

### COMMUNICATION FOR DEDUCTION OF TAX AT SOURCE ON DIVIDEND PAYOUT

Dear Shareholders,

We are pleased to inform you that the Board of Directors of the Company at its Meeting held on 26<sup>th</sup> May 2023, recommended payment of a dividend of ₹ 1.60/- per equity share of ₹2/- each for the year ended 31<sup>st</sup> March 2023, subject to the approval of the shareholders at the ensuing 41<sup>st</sup> Annual General Meeting (AGM) scheduled to be held on Tuesday, 12<sup>th</sup> September 2023.

Payment of dividend, if approved at the AGM, will be made to those shareholders whose names are on the Company's Register of Members at the close of business hours on Record date i.e. Tuesday, 5<sup>th</sup> September, 2023 and those whose names appear as Beneficial Owners as at the close of the business hours on Tuesday, 5<sup>th</sup> September, 2023 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose and the same will be paid within the statutory time limit of 30 days.

The Register of Members and Share Transfer Book of the Company will remain closed from Wednesday, 6<sup>th</sup> September, 2023 to Tuesday, 12<sup>th</sup> September, 2023 (both days inclusive) for AGM and payment of dividend, if approved at the Meeting.

Shareholders holding shares in Physical form and who have not updated their bank account details are requested to update bank details with the Company's Registrar and Transfer Agents (RTA), M/s. Maheshwari Datamatics Pvt. Ltd., 23 R.N. Mukherjee Road, 5<sup>th</sup> Floor, Kolkata-700001 by sending duly completed ISR 1 and ISR 2, available at the website of the RTA at <https://mdpl.in>, with a signature of the holders attested by your banker along with a canceled cheque leaf with your name, account no. and IFSC Code printed thereon. In case your name is not printed on the cheque leaf, you are requested to send an additional bank-attested copy of your passbook/bank statement showing your name, account no, and IFSC Code.

Pursuant to the General Circular No. 20/2020 dated 5<sup>th</sup> May 2020 issued by the Ministry of Corporate Affairs, the dividend will be paid electronically in the Member's bank accounts. The Members holding shares in demat form are advised to keep the bank details updated with their depository participants.

In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1<sup>st</sup> April 2020, the dividend declared and paid by the Company is taxable in the hands of its shareholders and the Company is required to deduct tax at source (TDS) from the dividend paid to the members at the applicable rates. The withholding tax rate would vary depending on the residential status of the shareholder and the documents submitted by them and as acceptable to the Company.

This communication summarizes the applicable TDS provisions in accordance with the provisions of the Income Tax Act, 1961, for various categories, including Resident or Non-Resident members.

## 1) FOR RESIDENT MEMBERS:

Sl. No.	Particulars	Applicable Rate	Documents required (if any)
(a)	No TDS shall be deducted in the case of resident individual members, if the amount of such dividend in aggregate paid or likely to be paid during the financial year 2023-24 does not exceed ₹ 5,000.	NIL	
(b)	With Permanent Account Number ('PAN') (Section 194) With PAN (Exceeding ₹ 5000/- during the financial year 2023-24)	10%	Tax will be deducted at source ("TDS") under Section 194 of the Act on the amount of dividend payable unless exempt under any of the provisions of the Act  Update/Verify the PAN, and the residential status as per Income Tax Act, 1961 if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents i.e. Maheshwari Datamatics Pvt. Ltd. (in case of shares held in physical mode). Or click on the following link: <a href="https://mdpl.in">https://mdpl.in</a>
(c)	Without PAN / Invalid PAN / has not registered their valid PAN details in their account (Section 206AA)	20%	NA
(d)	Submitting Form 15G/ Form 15H under section 197A of the Act	NIL	Signed Declaration in Form No. 15G (applicable to an Individual other than a company or a firm below the age of 60 years) / Form 15H (applicable to an Individual who is 60 years and older), fulfilling certain conditions along with a self-attested copy of PAN card.  Shareholders may click on the following link for claiming Exemptions. <a href="https://mdpl.in/form/15g-15h">https://mdpl.in/form/15g-15h</a>
(e)	Submitting Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority for the FY 2023-24 and should cover the dividend income to be submitted through the following link: <a href="https://mdpl.in/form/certificate-u-s-197">https://mdpl.in/form/certificate-u-s-197</a>
(f)	Mutual Fund specified under clause (23D) of Section 10 of the Income Tax Act, 1961	NIL	Self-declaration that they are specified in Section 10 (23D) of the Income Tax Act, 1961 along with a self-attested copy of PAN card and SEBI registration certificate to be submitted through the following link: <a href="https://mdpl.in/form/mutual-fund">https://mdpl.in/form/mutual-fund</a>
(g)	An Insurance Company exempted under Sec. 194 of the Income Tax Act, 1961	NIL	Self-declaration that it has full beneficial interest with respect to the shares owned by it and documentary evidence that the provisions of section 194 of the Act are not applicable to them along with Self-attested PAN and copy of registration certification issued by the IRDAI.  Please click on the following: <a href="https://mdpl.in/form/insurance-company">https://mdpl.in/form/insurance-company</a>
(h)	Alternative Investment Fund (AIF) established in India:	NIL	Documentary evidence to prove that the Investment Fund is a fund as defined in clause (a) of the Explanation 1 of Section 115UB of the Act and self-declaration that its Dividend Income is exempt under Section 10(23FBA) of the Act and that they are established as Category I or Category II AIF under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations along with self-attested copy of PAN card and registration certificate issued by SEBI. Please click on the following: <a href="https://mdpl.in/form/alternative-investment">https://mdpl.in/form/alternative-investment</a>

Sl. No.	Particulars	Applicable Rate	Documents required (if any)
(i)	New Pension System (NPS) Trust established u/s 10(44) of Income Tax Act, 1961	NIL	Self-declaration that it qualifies as an NPS trust and income is eligible for exemption under Section 10(44) of the Act and is regulated by the provisions of the Indian Trusts Act, 1882 along with a self-attested copy of the PAN card to be submitted through the following link <a href="https://mdpl.in/form/nps">https://mdpl.in/form/nps</a>
(j)	Recognized Provident Fund being established under a scheme framed under the Employees' Provident Funds Act, 1952	NIL	Self-declaration that Recognized Provident Fund established in India and is the beneficial owner of the share/shares held in the Company; and their income is exempt under Section 10(25)(ii) of the Act read with circular 18/2017 dated May 29, 2017, and valid approval granted under Rule 3 of Part A of Fourth Schedule to the Act; and should submit a self-attested copy of the PAN card and registration certificate, as applicable.
(k)	Approved Superannuation Fund to whom approval is granted by Commissioner under Rule 2 of Part B of Fourth Schedule to the Act.	NIL	Self-Declaration that Approved Superannuation Fund established in India and are the beneficial owner of the share/shares held in the Company, and their income is exempt under Section 10(25) (iii) of the Act read with circular 18/2017 dated May 29, 2017, and valid approval granted under Rule 2 of Part B of Fourth Schedule to the Act; and should submit a self-attested copy of the PAN card and registration certificate, as applicable
(l)	Approved Gratuity Fund to whom approval granted by the Commissioner under Rule 2 of Part C of the Fourth Schedule to the Act needs to be submitted.	NIL	Self-Declaration that Approved Gratuity Fund established in India and are the beneficial owner of the share/shares held in the Company; and their income is exempt under Section 10(25)(iv) of the Act read with circular 18/2017 dated May 29, 2017, and valid approval granted under Rule 2 of Part C of Fourth Schedule to the Act; and should submit a self-attested copy of the PAN card and registration certificate, as applicable.
(m)	Corporation established by or under a Central Act governed by Section 196	NIL	Certificate of registration which indicates that it is a corporation established under the central act and its income is exempt from income tax
(n)	Other Resident Individual/Non-Individual shareholders who are exempted from TDS provisions through any circular/ notification issued by any Statutory Authority	NIL	Self-attested copy of documentary evidence supporting the exemption along with a self-attested copy of PAN card to be submitted through the following link <a href="http://www.mdpl.in">www.mdpl.in</a>

Shareholders are requested to ensure their Aadhaar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhaar with PAN within the prescribed timelines, PAN shall be considered inoperative and, in such a scenario, tax shall be deducted at a higher rate of 20%.



## 2) FOR NON-RESIDENT MEMBERS:

Sl. No.	Particulars	Applicable Rate	Documents required (if any)
(a)	Non-resident Shareholders including Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors (FPIs)	<p>20% (plus applicable surcharge and cess)</p> <p>OR</p> <p>Tax Treaty Rate</p> <p>(whichever is less)</p> <p>Non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder if the DTAA provisions are more beneficial.</p>	<p>Update/Verify the PAN and the residential status as per the Income Tax Act, 1961, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Maheshwari Datamatics Pvt Ltd. (in case of shares held in physical mode).</p> <p>Self-Attested Copy of SEBI Registration Certificate, as applicable.</p> <p>Provide a declaration of whether the investment in shares has been made under the general FDI route or the FPI route, as applicable for FIIs/ FPIs,</p> <p>Copy of self-attested Indian Tax Identification Number (PAN). In the absence of PAN, specified information/ documents as per Rule 37BC of Income Tax Rules, 1962 (Rules) are to be provided. On non-furnishing of the prescribed information/ documents as per Rule 37BC of the Rules, a withholding tax of 20% (plus applicable surcharge and cess) may be applicable.</p> <p>To apply the Tax Treaty rate, all the following documents would be required:</p> <ol style="list-style-type: none"> <li>1) Self-attested Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident certifying status during Financial Year 2023-24 (for the period April 01, 2023 to March 31, 2024).</li> <li>2) Shareholders who have PAN and propose to claim treaty benefits need to mandatorily file the Form 10F online at the link <a href="https://eportal.incometax.gov.in/">https://eportal.incometax.gov.in/</a> with effect from April 01, 2023, to avail of the benefit of DTAA.</li> <li>3) In the case of Foreign Institutional Investors and Foreign Portfolio Investors, a self-attested copy of the SEBI registration certificate.</li> <li>4) Self-declaration from Non-resident shareholder for the financial year April 01, 2023, to March 31, 2024, primarily covering the following:</li> </ol> <p>A non-resident is eligible to claim the benefit of the respective tax treaty;</p> <ul style="list-style-type: none"> <li>- Non-resident receiving the dividend income is the beneficial owner of such income;</li> <li>- Dividend income is not attributable/ effectively connected to any Permanent Establishment (PE) or Fixed Base in India or any business connection in terms of Section 9(1) of the Act. (Format attached herewith);</li> <li>- Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI').</li> <li>- In case of the shareholder being a tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidence demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement ('DTAA').</li> </ul> <p>Click on the following Link: <a href="https://mdpl.in/form/10f">https://mdpl.in/form/10f</a></p>
(b)	Sovereign Wealth Fund, Pension Fund, and Other bodies notified u/s 10(23FE) of the Act	Nil	<p>Document evidencing the applicability of Section 10(23FE) of the Act/ notification issued by CBDT substantiating the applicability of Section 10(23FE) of the Act issued by the Government of India Self-attested declaration that the conditions specified in Section 10(23FE) of the Act have been complied with</p>

Sl. No.	Particulars	Applicable Rate	Documents required (if any)
(c)	Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A(1) of the Act	30%	N.A.
(d)	Submitting Order under Section 195 / 197 (i.e. lower or NIL withholding tax certificate)	Rate provided in the Order	Self-attested copy of Lower/Nil withholding tax certificate obtained from Income Tax authorities.

**Notes:**

- It is recommended that shareholders should independently satisfy their eligibility to claim DTAA benefits including meeting all conditions laid down by DTAA.
- The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident member.
- Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on dividend payment to such shareholders.
- Shareholders holding shares under multiple accounts under different statuses/categories (eg. Resident and Non-Resident) and single PAN, may note that higher the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.
- Recording of the Permanent Account Number (PAN) for the registered Folio/DP ID-Client ID is mandatory. In the absence of a valid PAN, the tax will be deducted at a higher rate, as per Section 206AA read with 206AB of the Act.

**TDS TO BE DEDUCTED AT A HIGHER RATE IN CASE OF NON-FILERS OF RETURN OF INCOME:**

For Shareholders who are identified as "Specified Persons" under Section 206AB of the Act, a higher tax rate as applicable would be deducted if

- Shareholder has not furnished the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted
- Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in the said previous years.

For TDS, Company will verify the status (i.e., Specified Person or not) from the Government enabled online facility and deduct TDS accordingly.

Provision related to "Specified person" that as per Section 206AB shall not apply to nonresident who does not have a permanent establishment in India.

If the person is a "specified person" as per Section 206AB then TDS Rate is higher of:

- Twice the rate specified in the relevant provisions of the Income-tax Act; or
- Twice the rate or rates in force; or
- the rate of 5%;

**TDS TO BE DEDUCTED AT A HIGHER RATE IN CASE OF NON-LINKAGE OF PAN WITH AADHAAR**

As per Section 139AA of the Income Tax Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of Section 206AA of the Act. The Company will be using the functionality of the Income-tax department for the above purpose. Provisions will be effective from 1st July 2023.

Shareholders may visit the Income tax website for FAQ issued by Government on PAN Aadhar linking.

**Section 199 of the Income Tax Act ('the Act'), read with Rule 37BA of the Income Tax Rules, 1962 ('the Rules')** inter-alia states that if the income on which tax has been deducted at source is assessable in the hands of a person other than deductee, credit of the tax deducted at source shall be given to the other person and not to the deductees. Therefore, in case the shares are held by the member on behalf of any other person, then the deductee shall submit a declaration mentioning the name, address, permanent account number of the person to whom credit is to be given, payment or credit in relation to which credit is to be given and reasons for giving credit to such person. Only after receipt of such declaration, the deductor shall report the tax deduction in the name of the other person and shall issue the certificate for deduction of tax at source in the name of the other person, whose name is mentioned in the declaration. The shareholders are requested to submit the necessary documents by Tuesday, 5th September, 2023 at [investor.relations@emamipaper.com](mailto:investor.relations@emamipaper.com)

**For the attention of all Shareholders:**

Only scanned copies of the aforementioned tax relief documents such as PAN, Forms 15G/15H/10F/Self-declaration/ documentary evidence, etc. will be accepted by the Company/ RTA as per the link/ email given above. The documents (duly completed and signed) are required to be submitted by uploading the documents on the link. The shareholders are requested to submit the necessary documents by Tuesday, 5th September 2023.

**Members may note that in case the tax on said dividend is deducted at a higher rate in the absence of a receipt, or insufficiency of the aforementioned details/documents from you, an option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.**

In the case of joint shareholders, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

Members may note that in case the tax on said dividend is deducted at a higher rate in the absence of a receipt, or insufficiency of the aforementioned details/documents from you, an option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

Shareholders holding shares in dematerialized mode are requested to update their records such as tax residential status, permanent account number (PAN), registered email address, mobile number, and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to furnish details to the Company's Registrar and Transfer Agent, viz. Maheshwari Datamatics Private Limited (MDPL).

The Company is obligated to deduct tax at source based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited ("the Depositories") in case of shares held in electronic mode and from the RTA in case of shares held in physical mode and no request will be entertained for revision of TDS return.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy, or omission of information provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also provide the Company with all information/documents and co-operation in any appellate proceedings.

**Disclaimer:** Above Communication on TDS sets out the Provisions of Law in a summarized manner only and does not purport to be a complete analysis or listing of all potential Tax consequences. Shareholders should consult with their own Tax Advisors for the Tax Provisions applicable to their particular circumstances.

Thanking you,  
Yours faithfully,

**For Emami Paper Mills Limited**

**Debendra Banthiya**  
Company Secretary  
M.No.: FCS 7790



# Inspiring Optimism



# Corporate information

## Board of Directors

**Mr. Aditya V. Agarwal**  
Executive Chairman

**Mr. Manish Goenka**  
Vice Chairman

**Mrs. Richa Agarwal**  
Non-executive Director

**Mr. H. M. Marda**  
Independent Director

**Mr. S. Balasubramanian**  
Independent Director

**Mr. J. K. Khetawat**  
Independent Director

**Mr. Amit Kiran Deb**  
Independent Director

**Mr. Sumit Banerjee**  
Independent Director

**Mrs. Mamta Binani**  
Independent Director

**Mr. P. S. Patwari**  
Non-executive Director

**Mr. Vivek Chawla**  
Whole-time Director & CEO

## Company Secretary

**Mr. Debendra Banthiya**

## Interim Chief Financial Officer

**Mr. Mukesh Kumar Agarwal**

## Bankers

State Bank of India, ICICI Bank Limited, DBS Bank India Limited, Yes Bank Limited, IDBI Bank Limited, Axis Bank Limited, HDFC Bank Limited, Export Import Bank of India, RBL Bank Limited, DCB Bank Limited, IDFC First Bank Limited, IndusInd Bank Limited

## Registrar and Transfer Agents

**Maheshwari Datamatics Private Limited**

## Statutory Auditors

**S K Agrawal and Co Chartered Accountants LLP**  
Chartered Accountants

## Secretarial Auditors

**MKB & Associates**  
Company Secretaries

## Cost Auditors

**V. K. Jain & Co.**  
Cost Accountants

## Registered Office

687, Anandapur, 1st Floor E.M.Bypass, Kolkata-700 107

☎ +91 33 6613 6264

✉ [investor.relations@emamipaper.com](mailto:investor.relations@emamipaper.com)

🌐 [www.emamipaper.in](http://www.emamipaper.in)

CIN: L21019WB1981PLC034161

## Works

Balgopalpur, Balasore- 756020, Odisha

Market Capitalisation as at 31st March, 2023	₹ 679.10 Crores (BSE) ₹ 677.59 Crores (NSE)
*AGM Date & Time	Tuesday, 12th September, 2023 at 11:00 a.m.
BSE Code	533208
NSE Symbol	EMAMIPAP
*AGM Mode	Video conferencing



**Over the past year, we have witnessed remarkable transformations within the organisation. Our determination to overcome hurdles and focus on what's important allowed us to add a new chapter to our growth story.**



# Inspiring Optimism

**Changed mindsets, a renewed way of doing things and seeking better ways of accomplishing objectives marked a fresh start for us at Emami Papers. And it resulted in sustained outperformance, reflected across all aspects of the organisation – from our people, processes to our balance sheet. The new-found optimism instilled a sense of purpose that allowed us to diversify our product portfolio, broadbase risks and develop cross-functional synergies.**

**Our optimism is also evident through our emphasis on shaping a greener planet. Keeping sustainability as a core priority, we are eagerly contributing to a circular economy and inculcating responsible practices within the organisation.**

**The collective efforts of a 'new' Emami kept us optimistic about maximising value creation, strengthening returns and challenging convention. What emerged was a passionate response to accelerate our outperformance and relentlessly uncover opportunities in a dynamic business landscape.**

# Inside this Report

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### Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



Scan QR code to  
visit our website



[www.emamipaper.in](http://www.emamipaper.in)

Emami Paper Mills is one of the largest newsprint manufacturers in the country as well as a leading manufacturer of Packaging Board and Writing & Printing Paper. We have a rich legacy of delivering superior quality products.

We produce a wide range of paper products, including writing and printing paper, packaging boards, and specialty papers.

# Who we are

As a socially responsible organisation, we prioritise sustainable and eco-friendly operations, with an emphasis on adhering to the highest environmental standards. With a relentless focus on innovation and customer satisfaction, we strive to be the preferred choice of customers and aspire to strengthen our onward journey on the back of a robust distribution network, an expansive presence and the ability to diversify our product range.



**23** countries

Presence



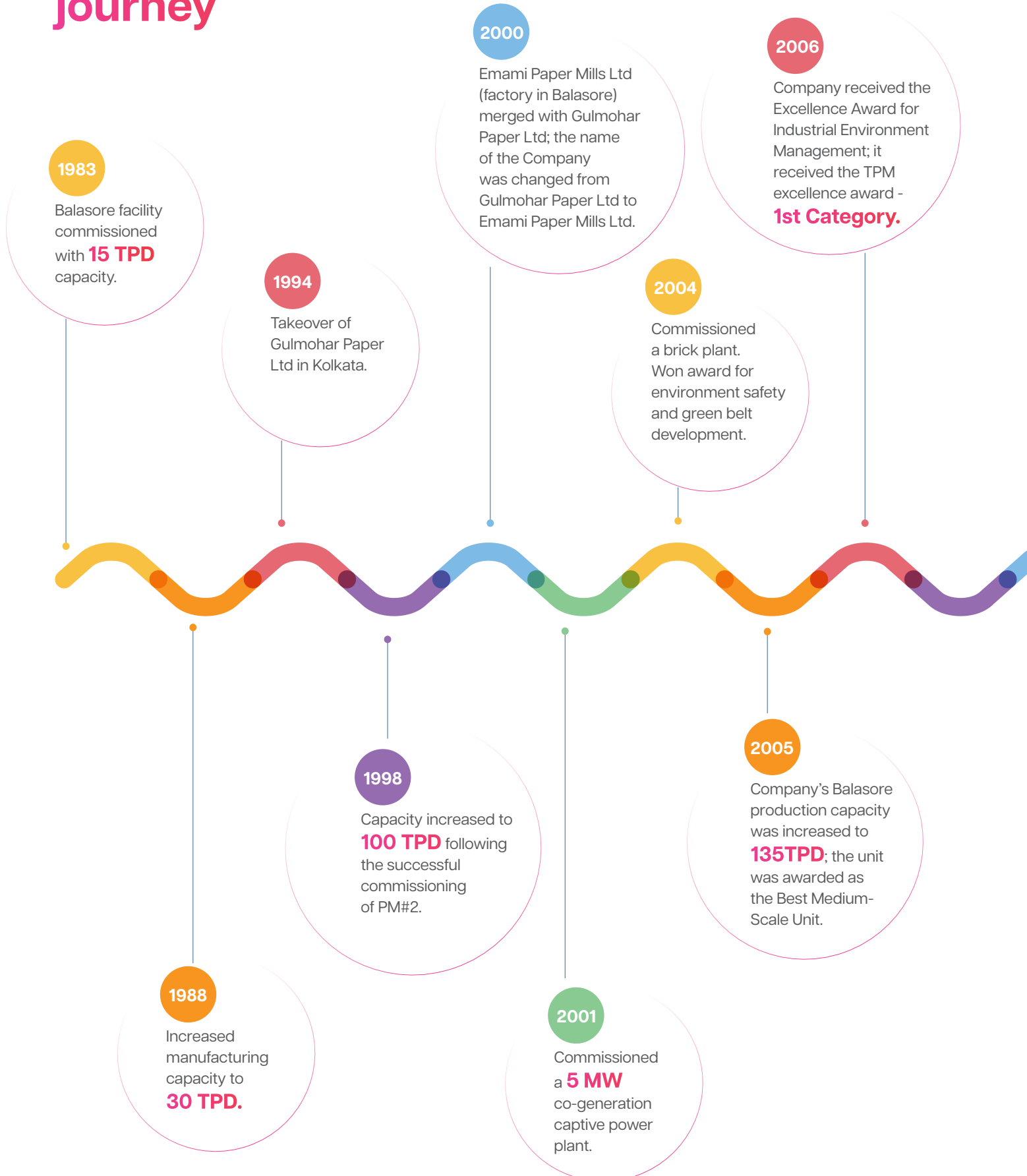
Mr. R.S. Goenka (standing) and  
Mr. R.S. Agarwal (sitting)

# Our founders

R.S. Agarwal and R.S. Goenka are recognised for their exceptional accomplishments and forward-thinking approach. Mr. Agarwal, considered as a contemporary management guru and outstanding administrator, possesses deep insights into consumer behaviour and is renowned for his visionary mindset. Conversely, Mr. Goenka is a catalyst for mindset transformation, consistently embracing innovation to foster new abilities. He places great emphasis on loyalty and dedication, recognising their significance in attaining success.

Their expertise lies in swiftly identifying and capitalising on opportunities, propelling the conglomerate from humble beginnings to its current position. Together, they have nurtured a small entrepreneurial venture into the flourishing Emami Group, which now holds leadership positions in diverse industries such as FMCG, edible oil, healthcare, paper and packaging, writing instruments, real estate, retail and contemporary art. Their unparalleled achievements in modern business have firmly established their reputation as extraordinary achievers.

# Our illustrious journey





2008

Emerged as one of the largest manufacturers of newsprint and a market leader in the country.

2015

A paper board plant of **1,32,000 TPA** with **10.5 MW** power plant was commissioned.

2019-20

Capacity of the board plant increased to **2,00,000 TPA**. PM#1, PM#2 and PM#3 were modified to make it multi-functional to produce newsprint, writing & printing, and kraft grade paper with a combined capacity of **1,40,000 TPA**. Total capacity increased to **3,40,000 MT**.

2010

The Company was listed on the Bombay Stock Exchange (BSE).

2007

- Commissioned 15 MW Co-generation captive power plant, de-inking plant of 300 TPD and Paper Mill-III of **250 TPD**
- Company increased the Balasore production capacity from **60,000 TPA** to **145,000 TPA**

2017

Capacity of the board plant increased to **1,80,000 TPA**. PM#2 was modified to make it multi-functional and produce newsprint and writing & printing grade paper. The **15MW** power plant was upgraded to **18MW**.

2022 -23

**Size Press** successfully retrofitted in the largest newsprint machine of your Company making it suitable for producing other grades of papers. Trial run has been successfully completed. For the **first time** in the **Indian Paper Industry**, such a project in a running mill was successfully commissioned. With the successful commissioning of Size Press, the company was able to cater to the increasing market demand in the writing and printing paper segment apart from Newsprint.

## Management's **Insight**



**Aditya V. Agarwal,**  
Executive Chairman

**Manish Goenka,**  
Vice Chairman



Our resolve to be better than before underscores our determination to introduce strategic transformations within the organisation.

## Dear Shareholders ,

The cultural shift that represented a new way of doing things at Emami Paper inspires us to move ahead with optimism – to further strengthen the groundwork for our sustained outperformance.

Over the past year, we have continuously reiterated our commitment towards excellence, innovation and sustainability with a greater focus on adapting ourselves to an evolving business landscape. We have adopted a proactive approach to understand client expectations, improved our capacity to develop new-age products and above all, kept an unwavering focus on abiding by the highest standards of quality. Alongside, our focus on ensuring customer satisfaction drives us to operate with great passion, enabling us to produce customised products and consistently create new revenue generation streams. Besides, it forges enduring relationships and earns us the trust and loyalty of a marquee clientele.

Keeping sustainable value creation at the core of our efforts, we continue to reaffirm our emphasis on people and processes to grow with optimism and great confidence. Over the years, we have consciously undertaken initiatives

to build an empowered workforce. We realise, our talent pool plays an integral role in meeting our objectives. Therefore, to enable talent to thrive and prosper, we continue to undertake broad based initiatives that enhance professional as well as personal growth. It also nurtures a sense of belonging, thereby attuning our people to the Company's values and ethos – inspiring them to be a part of a high-performance work culture.

Setting aside the conventional approach, the Emami Paper of today believes in informing and educating its stakeholders. We are transparently sharing financial performances, operational metrics and procurement strategies within the organisation and it has created deeper engagements of various teams within the organisation. The cross-functional synergies derived from these efforts inspire us to set more precise targets and aim for greater goals.

Our ability to respond with a different mindset allows us to set the tone for the years ahead. With a determined focus on improving our capabilities, defying odds and trusting on a 'can-do' attitude, we are optimistic about future prospects. Besides, our dependence on data driven analytics empowers us to accelerate decision making and retain our competitive edge.

As a responsible business, we believe in not just pursuing profitability, but

also take into account its impact on the environment and society. By undertaking initiatives for the welfare of communities, optimising resource utilisation, and embracing viable methods to minimise our imprint on the planet, we are actively contributing to a greener and more sustainable future. It is also bolstering an integrated, inclusive and sustainable value creation model that takes into account the aspirations and expectations of diverse stakeholders.

Looking ahead, we sense incremental opportunities in the business landscape. Our perseverance, passion and will power to achieve the extraordinary keeps us optimistic about our future and lends us the strength to consistently generate value.

With best regards,

**Aditya V. Agarwal,**  
Executive Chairman

**Manish Goenka,**  
Vice Chairman

# Whole-time Director & CEO's review



**By encouraging innovation, collaboration and continuous learning, we create an environment that empowers our employees and drives our collective excellence.**

## **Dear Shareholders,**

With every new beginning, new opportunities beckon. The sustained transformation of Emami Paper to inculcate a new way of thinking has permeated through the organisation.

Our journey of transformation has instilled a fresh way of thinking across the organization, fostering optimism and a collective pursuit of common goals. Together, we are motivated to contribute our best and drive extensive improvements.

Reflecting on the past year, while the first half favored us, the latter part did not progress as expected. Several factors contributed to this, including

the unprecedented increase in the price of pulp, our key raw material. The Russia-Ukraine conflict and the COVID-19 outbreak in China were among the reasons for this surge. Additionally, the domestic consumption of pulp declined, and Chinese mills flooded the South-East Asian market with their paper products, leading to a significant impact on our sales. This region accounts for 20%-30% of Indian exports, resulting in a loss of nearly 30% of market share for companies in India. Moreover, the energy crisis in the Euro region posed a threat to our industry.

Despite these challenges, we navigated through with resilience and strategic interventions. We expanded and diversified our supplier base, forged long-term relationships with new partners, and resolved supply chain bottlenecks. This proactive approach

is expected to cushion us against external challenges and prepare us for the future.

During the fiscal year, our revenue grew by 18%, reaching ₹ 2,308 crore. The EBITDA and PAT stood at ₹ 237 crore and ₹ 69 crore respectively in the previous fiscal year.

## **Focus on innovation and digitisation**

Focus on innovation and digitization remains a top priority for Emami Paper Mills. We understand that innovation is the key to remaining competitive in an ever-evolving paper industry. To foster innovation, we have established a dynamic Product Development Cell, dedicated to creating innovative paper products that meet the diverse needs of our customers while driving

profitability. This emphasis on quality and customization ensures we deliver high-quality products that stand out in the market.

In line with our commitment to enhancing customer experiences, we have revamped our Customer Relationship Management (CRM) system. This system enables us to promptly address customer grievances, offer personalized solutions, and improve communication with consumers. By putting the customer at the centre of our operations, we aim to build lasting relationships and exceed their expectations.

### Towards a sustainable future

Sustainability remains a guiding principle for our business. We firmly believe that our operations should contribute positively to the communities we serve. Through strategic partnerships and initiatives, we are collaborating with local communities to empower them and create sustainable avenues of growth. Our programs focus on fostering self-sufficiency among individuals, promoting social welfare, and driving inclusive development.

Environmental stewardship is another key pillar of our sustainability strategy. Given the nature of our industry, it is crucial for us to find ways to reduce our freshwater consumption. To this end, we have set internal targets to increase the share of recycled water used in our paper production processes. We are also implementing energy-efficient practices by employing state-of-the-art energy meters to monitor and curtail our energy usage. These initiatives reduce our carbon footprint

and minimize our impact on the environment, aligning with our long-term sustainability goals.

### Our people

Our people are at the heart of Emami Paper's success, and we strive to foster a people-centric culture. To nurture a motivated workforce, we have implemented a comprehensive performance management system that not only recognizes and nurtures talent but also provides opportunities for professional growth and advancement. This system, combined with a robust appraisal process, helps identify and promote talent within the organization. By encouraging innovation, collaboration and continuous learning, we create an environment that empowers our employees and drives our collective excellence.

### Way Forward

Looking ahead, we are filled with optimism and enthusiasm for the journey that lies ahead. The prospects of India's economic growth in the coming years are promising, and we anticipate an increased demand for paper and packaging products across various sectors. With a favorable business landscape, we are well-positioned to capitalize on these opportunities.

Our unwavering commitment to quality, customer engagement, cost optimization, and operational efficiency will continue to be the cornerstones of our success. By consistently delivering high-quality products and services, engaging with our customers to understand their evolving needs, optimizing our costs, and driving operational efficiency, we are confident that we will achieve sustainable growth

in the years to come.

In the face of market volatilities, we remain resolute in our pursuit of excellence. We are determined to strengthen our internal operations and enhance our capabilities to navigate through challenges and seize opportunities. We believe that collective ownership of responsibilities will empower us to overcome obstacles and achieve our strategic objectives.

Furthermore, we recognize the importance of technology as a catalyst for progress. Through continuous investment in technology, we aim to enhance productivity, streamline processes, and ensure efficient resource utilization. By leveraging technology, we will stay at the forefront of innovation and reinforce our position as a leader in the industry.

On behalf of the entire team at Emami Paper I would like to express my heartfelt gratitude to our valued shareholders, customers, employees, and other stakeholders. Your unwavering support, dedication, and trust in our vision and abilities have been instrumental in our success. We are deeply appreciative of your ongoing partnership, and we remain committed to creating long-term value for all our stakeholders.

Together, we will forge ahead, embracing new opportunities, overcoming challenges, and realizing our shared vision for a prosperous future.

With warm regards,

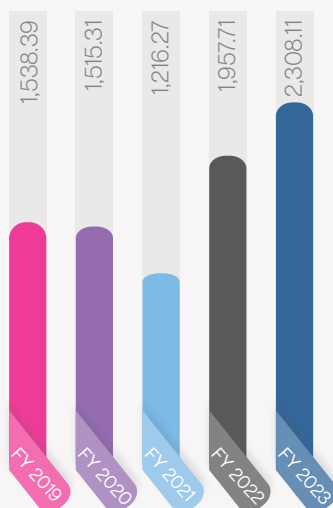
**Vivek Chawla,**

Whole-time Director &  
Chief Executive Officer

## Financial performance

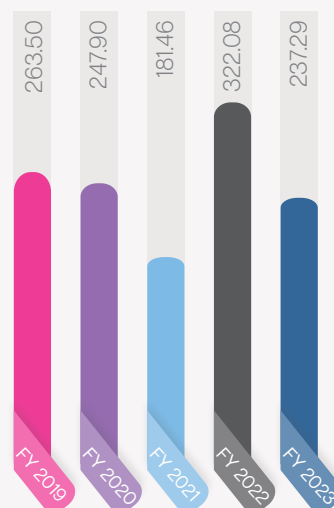
### Revenue

(₹ in crores)



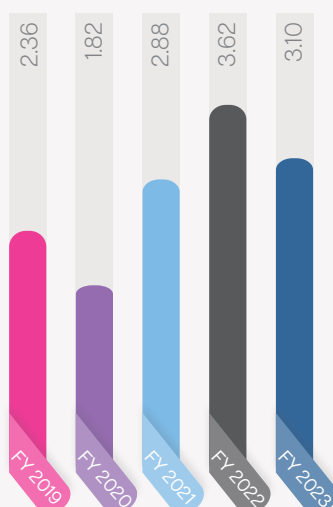
### EBITDA

(₹ in crores)



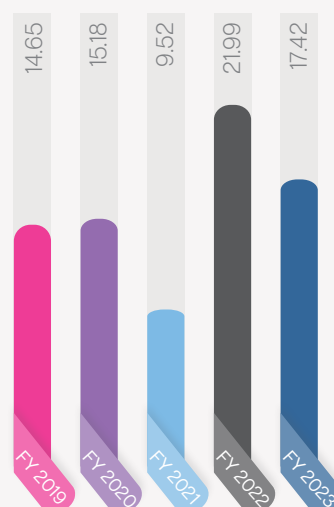
### Interest coverage ratio

(X)



### ROCE

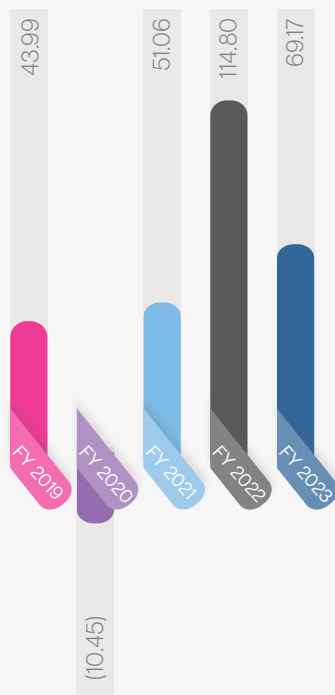
(%)



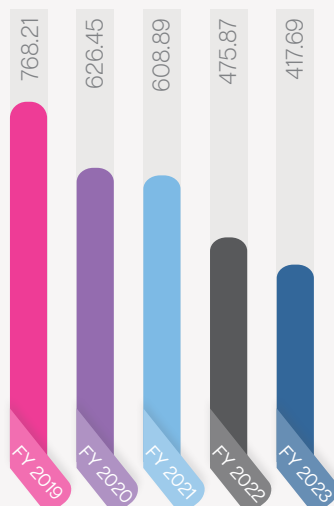


**PAT**

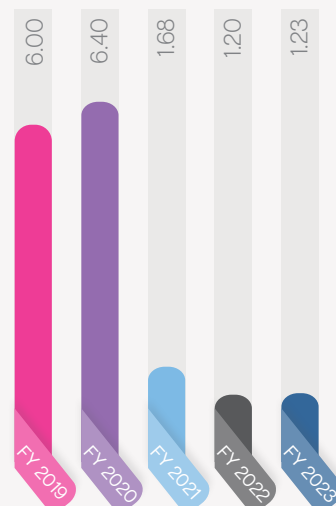
(₹ in crores)

**Long term debt**

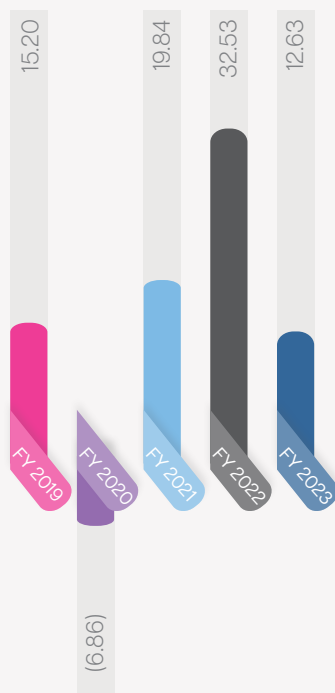
(₹ in crores)

**Debt-to-equity ratio**

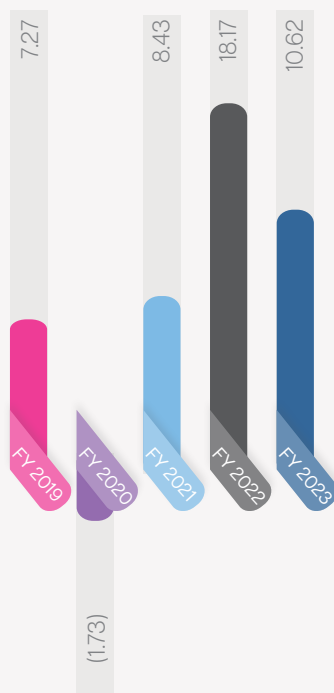
(X)

**ROE**

(%)

**EPS**

(₹)



# Creating sustained value

## Input



### Financial resources

Our financial resources include equity, current assets and net worth. We ensure effective allocation of funds generated from our investors, shareholders, banks and institutions to ensure sustained profitability.



### Manufacturing excellence

Our state-of-the-art paper mills ensure manufacturing excellence and enables us to produce best quality paper from wastepaper as well as fibre, using advanced technologies.



### Continuous improvement and innovation

Through continuous improvement and innovation across our operational processes, we have ensured a steady supply of new products to the market and also enhanced quality standards.



### Employees

We have a dedicated team of employees who are knowledgeable, skilled and have long years of experience.



### Social relationship

We are continuously strengthening our social relationship through partnerships with stakeholders and regular communication with customers, supply partners and communities.



### Natural resources

To ensure sustainability, we utilise wastepaper and fibre to produce paper, thereby limiting our impact on natural resources.

At Emami Paper, we are dedicated to actively participating in the positive transformation and nurturing of our world. Our commitment lies in preserving valuable resources for the future through a comprehensive approach encompassing the **3R's**:



**REDUCE:** We prioritize reducing water and fossil fuel usage to minimize our environmental impact.



**REUSE:** We strive to maximize the reuse of treated water to promote sustainable water management.



**RECYCLE:** We remake paper from waste paper, we contribute to the circular economy and reduce waste generation.

## Stakeholders impacted



Customers



Employees



Shareholders



Investors



Business partners



Government authorities



Communities

## Output



₹ 2,308.11 crore

Turnover



₹ 237.29 crore

EBITDA



₹ 69.17 crore

PAT



₹ 10.62

EPS



2,96,594 tons

Total production

## New products developed

Oil and Grease  
Resistant paper

Bulky paper



2,949

Total workforce



10%

Attrition rate



416

Number of  
customers

1,445

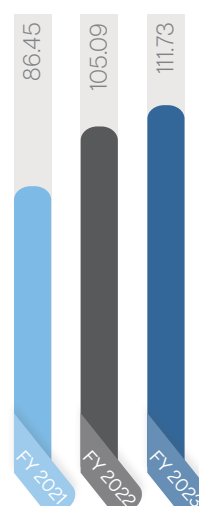
Number of  
suppliers

1,24,425 tons

Total waste  
material recycledEmployee value  
creation

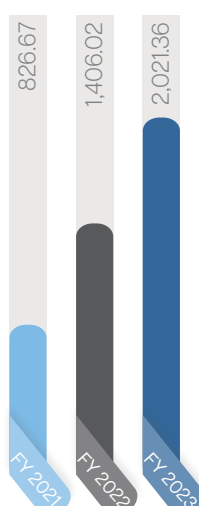
## Salaries and wages

(₹ in crores)

Supply partners  
value creation

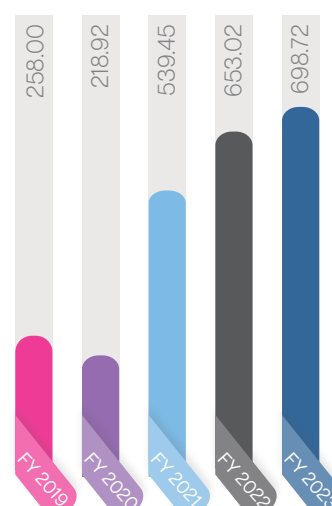
## Procurement

(₹ in crores)

Stakeholder  
value creation

## Net worth

(₹ in crores)



## Committed to ensure **manufacturing excellence**

At Emami Paper, manufacturing excellence is a core priority. Our expertise in paper manufacturing is supported by state-of-the-art manufacturing facilities, human expertise and a relentless focus on quality parameters. It has empowered us to develop and deliver some of the finest paper products to the market.




With a long legacy of over four decades, we have cemented our position as a leading paper mill and the largest newsprint manufacturer in the country. Keeping sustainable operations at the core of our operations, our paper mills located at Balasore, utilise recycled wastepaper and fibres as a raw material for producing fine quality paper products.

**Our total production capacity stands at 3,40,000 tons per annum.**

We have also established a captive power plant generating 33.5 MW power, thereby ensuring self-sufficiency in meeting our energy and steam demands. **We produce 2,00,000 tons per annum of multi-layer coated packaging board and have a combined capacity to manufacture 1,40,000 tons per annum of superior quality writing and printing paper along with best-in-class newsprint.**





**1,40,000 TPA**

Newsprint, writing and  
printing paper production  
capacity

### Enhancing efficiency through innovation

Our ability to adopt new-age processes and innovative methods allows us to sustain a leading position in the industry. With consistent investments in technology and emphasis on developing products that are aligned to consumer needs, we are developing a future-ready product portfolio.

**2,00,000 TPA**

Multi-layer coated board  
production capacity



### Ensuring continuous improvement

To create a culture of continuous improvement, we encourage teams to share ideas that add efficiency to our operational processes. We have created a dedicated Product Development team that collects market feedback to ensure the success of different initiatives. This has led to the successful creation of unique products like OGR (Oil and Grease Resistant) paper and Bulky paper.



### Effective quality management

Our quality assurance department has the liberty to introduce only superior grade raw materials as well as finished products. They conduct rigorous quality tests before delivering products to our clients. By maintaining a strong focus on stringent quality standards, we are continuously developing superior quality products.

Our state-of-the-art manufacturing facilities employ cutting-edge machinery and the latest technologies, thereby exemplifying our commitment to abide by the highest standards of quality.

# Streamlining procurement processes

Our robust procurement process ensures the production of high-quality paper. With efficient supply chain management, we ensure sourcing of raw materials at an optimised cost. We also maintain a strong relation with our supply partners to enable a steady supply of required raw materials from reliable suppliers.



## Resiliently overcoming challenges

The price of paper pulp and wastepaper has witnessed significant volatility and has led to supply disruptions in recent times. To overcome pricing pressure from increasing raw material costs, we have implemented a number of initiatives to reduce risks and mitigate adverse impacts.

**We conduct market research regularly to stay up to date on latest market trends and changes in input prices.**

**Strong relationships with suppliers allow us to negotiate better prices for bulk purchases.**

**Ensured cost efficiency through optimisation of production and logistics and waste reduction.**

**To reduce dependence on a particular raw material or supplier, we have increased the use of alternate raw materials and diversified sourcing from different locations.**

**We monitor and manage inventory levels to prevent stockouts or overstocking.**

**We also invest in advanced technology and data analytics to optimise logistics management.**



## Impact of new procurement strategy



### Cost savings

By negotiating better prices with suppliers, we reduced our procurement costs and increased profit margins.



### Improved efficiency

A more streamlined procurement process helped to reduce the time and resources required to purchase goods and services, thereby lowering the overall cost of procurement.



### Supply chain optimisation

Our reinvented procurement function helped to better manage the supply chain, by reducing the lead time and improving delivery schedules. It enabled us to respond to changes in customer demand and remain competitive.



### Stronger relationship with suppliers

We have developed a strong relationship with our supply partners which has led to better deals, more favourable payment terms, and improved delivery times, factors that have positively impacted the bottom line.



### Better risk management

Our robust procurement strategy helps to identify and mitigate risks related to supply chain disruptions, quality control issues, or legal and compliance concerns.



### Improved budgeting and forecasting

A well-defined procurement strategy provides more accurate cost estimates and forecasts, which helps us to better plan for future expenditures and avoid unexpected expenses.

## Encouraging digital adoption

To add efficiency to our operations, improve the quality of products and ensure agility across the organisation, we are embracing digitalisation across the organisation. The integration of digital technology has improved our operations, significantly improved our performance and overall output.

We have adopted varied technological tools and software, automated data collection, analysis, and reporting processes to enhance efficiency and ensure resource optimisation. The improved communication and collaboration capabilities offered by digital technology have strengthened our teams and allowed us to collaboratively accomplish shared objectives.



### Data analytics

Data analytics provides valuable insights into customer behaviour, preferences, and needs, enabling us to develop and deliver superior quality products and services that cater to specific requirements.





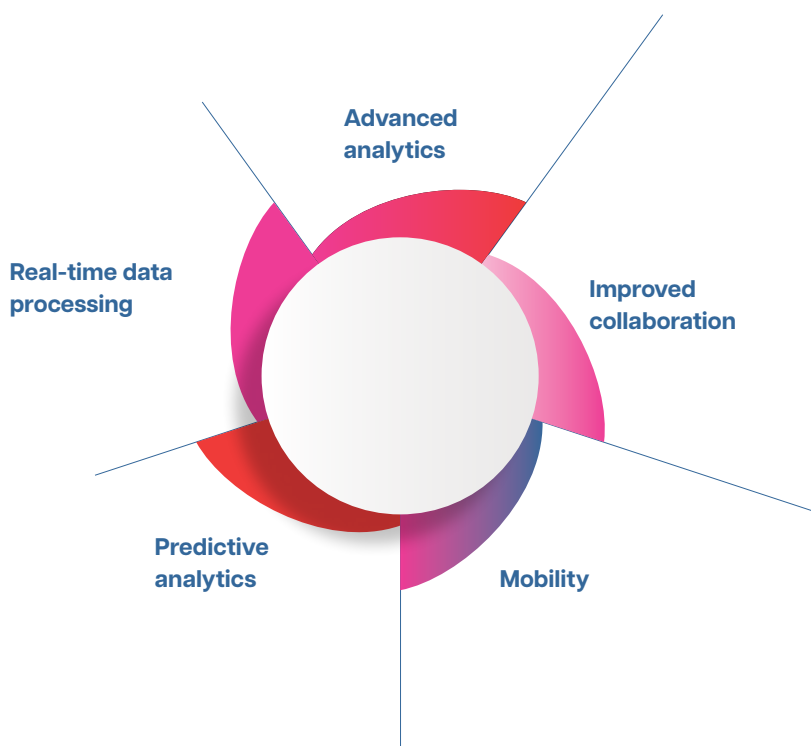
## SAP S/4 HANA

We have adopted a comprehensive and real-time business suite, SAP S/4 HANA which provides advanced analytics, robust data processing and real-time insights to support instant decision making within the organisation.

### Benefits

SAP S/4 HANA revolutionises data processing, offering real-time access to accurate information across operations, finances, and customers. Its advanced analytics empower businesses to seamlessly analyse great volumes of data, gain valuable insights into their operations, customers, and markets. These insights facilitate informed decision-making by identifying trends, patterns, and opportunities. By providing a centralised platform, SAP S/4 HANA

fosters collaboration and data sharing among departments, enhancing communication and ensuring information consistency. Its mobile-friendly nature, with Fiori Apps, also enables employees to access critical data. Additionally, its predictive analytics capabilities empower companies to forecast future trends, detect potential risks, and proactively address them.



## Data security and privacy

With the rapid advancement of technology, cyber threats are becoming more frequent and complex. To safeguard and protect personal information and the privacy of the organisation, we are remaining vigilant and are taking initiatives to enhance our cyber security practices.

### Our initiatives

- Regularly update systems and software to address vulnerabilities and protect against known threats.
- Installation of firewalls and antivirus software to monitor and block unauthorised access to our network and systems
- Create awareness among employees through training programmes to ensure password hygiene, protection against phishing scams and other social engineering tactics.
- Adoption of multi-factor authentication to reduce the risk of unauthorised access and cyber-attacks.
- Security audits and risk assessments at regular intervals to identify the areas of improvement and implement appropriate security measures.
- To protect against data theft and ransomware attacks, we use software to backup our data.

# Bolstering marketing and sales

To improve our reach and enhance our sales functions, we remain determined to undertake efforts that help to maintain steady sales volumes and continuous revenue generation. Moreover, to retain our competitive edge, we lay emphasis on Quality, Service and Customer Satisfaction as key priorities.



## Our marketing strategy encompasses the following:



**Quality commitment**



**Pricing commitment**



**Customer service**



**Transparency**



### Focus on customer delight

We are determined to ensure customer delight. Our teams actively engage with customers and strive to understand their unique needs. It lends them the capability to communicate specific customer requirements and aid the design and development of different grades of paper.

We are the Manufacturers of International Quality Packaging Boards (FDA and FSC Certified)

**emami MAXOfold HB**  
Folding Box Board

**emami Eco Strong**  
Virgin Top Grey Back

**emami MAXOfold**  
Folding Box Board



**emami Glamkot**  
Coated Bleached Board



### Strengthening product mix and market presence

We have made significant strides to increase sales in the domestic market. Building on this momentum, we aim to maintain the sales volumes achieved for packaging boards or newsprint and writing and printing paper, to further strengthen our market presence. Additionally, we are committed to enhance our export position, seize opportunities in international markets and expand our reach.

# Building an empowered workforce

We believe that an Enabled, Empowered & Engaged workforce is key to success for the organization to deliver superior performance. Therefore, we empower our people to accomplish organisational objectives and ensure steady career progression through continuous learning and development. We strive to create an inclusive and diverse work culture where employees are valued and respected.



## Talent acquisition and management



### Talent Management

To Attract, Retain & Nurture Talent for Making a Future Ready Organization



### Total Rewards

To Reward for Excellence & Growth Mindset and Extended Rightful Treatment to all Employees



### Employee Engagement

To Encourage Inclusion & Participation by Providing Freedom to Express, Experiment & Innovate



### Performance Management

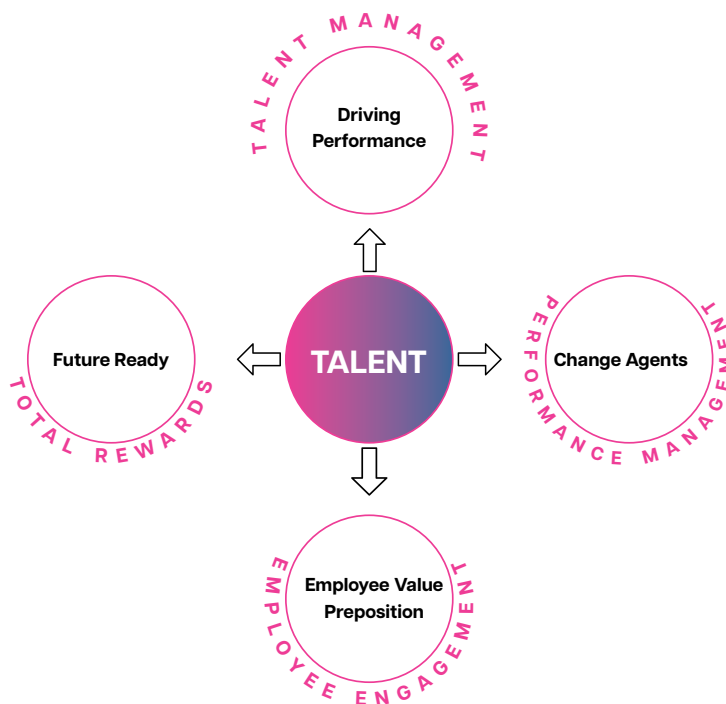
To Enable & Motivate Employees to Perform at Best of their Abilities & Produce Superior Results





## HR Architecture

We nurture talent and create an inclusive, diverse & performance driven work culture to become a high performing and future ready organization. We foster a culture of continuous learning & development. We ensure that leaders exemplify the desired values and behaviors, and promote a culture of trust, integrity, and accountability.



## Leadership development

### Leaders of tomorrow

The Leaders for Tomorrow (LFT) programme enables us to identify & develop future leaders. It is to identify young talent below 45 years & nurturing them by providing extended exposure and opportunities to become future ready.

### LEAD

LEAD stands for learn, educate and develop that allows senior employees to pass on their experiences and knowledge to subordinates. It serves as a platform for mentoring and learning from experienced colleagues, enabling the transfer of valuable insights to future generations.

### Talent Management Plan

Our TMP (Talent Management Plan) is tailored to the needs of each employee. We assess an individual's strengths, areas of improvement and identify training needs. It aims to bridge the competency gaps of each employee and enhance their skills and capabilities.



## Rewards and recognition

Our rewards and recognition programme has been built on four key pillars encompassing safety, performance, business excellence, and learning. It aims to motivate and acknowledge employees who contribute to these areas and drive overall organisational success.

### 4 key pillars



**Health  
& Safety**



**Performance**



**Business  
excellence**



**Learning &  
Development**

The first pillar focuses on fostering a safety culture within our organisation. We acknowledge and reward employees for their outstanding safety performance and contributions.

The second pillar revolves around performance. We recognise individuals who demonstrate exceptional performance compared to their peers. This includes awards for young achievers and emerging leaders who showcase outstanding abilities in their respective fields.

The third pillar is centred around business excellence. We celebrate and reward individuals or teams that set new records, achieve significant milestones, and implement innovative best practices. We also recognise collaborative efforts through group activities and acknowledge initiatives that lead to continuous improvement.

The fourth and final pillar is dedicated to creating a learning organisation. We encourage a growth mindset and foster a culture of continuous learning. Employees and departments that actively engage in training programmes, with an emphasis on senior employees who contribute as trainers, are duly rewarded.

10%

Attrition rate

Great place to work

Certified

84%

(Employee Engagement Score)

Highly Engaged Workforce

4.6

(out of 5)

Ex- Employee rating on  
Social Media

## Health and safety

### Health management practices

Our health management practices include regular health examination, emergency preparedness - MERP (medical emergency response plan), first aid and awareness. We also organize monthly special health camps. We assess & track health status of employees classify them in Red, Yellow & Green category & with regular monitoring we support improvement in their health status.

### Safety management practices

- Our safety initiatives prioritize both engagement and enforcement. Our Top Management closely monitors and guides on key safety practices.
- With 'Safe Place to Work' campaign, we leverage technology for reporting of leading indicators. Initiatives like Hazard Hunting, Dekho-Roko-Bolo & 3 Stage Audit Systems have made our factory a 'Safe Place to Work'.

- Our empowerment program and Reward & Recognition programs in safety & housekeeping have been key to drive the TPM & 5S initiatives.
- We have taken safety beyond our premises. Our safety team shares knowledge & safety acumen with the students of engineering colleges in vicinity. We also act as mentors for safety to the surrounding smaller industries.

### 7 Pillar Model of Safety

01

Awareness &amp; Engagement

02

Risk Assessment

03

Housekeeping

04

Emergency Preparedness

05

Auditing, Reporting &amp; Investigation

06

Standardization

07

Preventive Healthcare

Zero harm

During FY 2023

OHSAS 18001

Certified

5X

Leading Indicator Reporting

# Towards a greener tomorrow

As an eco-conscious organisation, we realise our responsibility towards the environment. The paper industry is a resource intensive sector and we understand our obligation to minimise the impact of our operations on the planet. To create a sustainable future, we undertake measures to minimise energy consumption, conserve water and reduce waste.



## Limit energy usage

We prioritise energy efficiency to fulfil our commitment as a sustainable and responsible organisation. To achieve our objectives, we have implemented targeted strategies to minimise energy usage.

### Our initiatives

- In our de-inking plant, the old disc filter pumps with power ratings of 110 kW each were replaced with new energy-efficient pumps of 90 kW. It resulted in daily energy savings of 1,270 kWh, even when newsprint production is continuously carried out.
- The speed of the boiler feed water pump was reduced from 90% to 88% (2720 RPM to 2660 RPM), leading to a daily energy saving of 240 kWh.
- In the Effluent Treatment Plant (ETP), the old air blower was replaced with a new blower, resulting in daily energy saving of 480 kWh.
- The blade angle of our cooling tower was optimised from 16 degrees to 12 degrees, to achieve daily energy saving of approximately 170 kWh.





- In one of the boilers, three coal spreader motors with power ratings of 3.7 kW each were permanently stopped by modifying the overfeeding chute arrangement. This modification resulted in power saving of 190 kWh per day.
- Our old Primary centri cleaner pump was replaced with a new energy-efficient pump leading to a daily energy saving of 288 kWh during news print run.
- The old Secondary centri cleaner pump was replaced with a new energy-efficient pump, resulting in a daily energy saving of 300 kWh during news print run.

### Water conservation

We have undertaken various initiatives to ensure optimum resource utilisation and reduction of water consumption. It has minimised the need for additional water treatment, and helped to achieve substantial cost savings. Additionally, these initiatives contribute to environmental sustainability by conserving water and reducing our ecological footprint.



### Our initiatives

- In our production process, the low-pressure shower now utilises saved clear water instead of fresh water. This not only conserves fresh water resources but also ensures the use of clear water without the requirement for additional treatment.
- To prevent water overflow from the HP tank, a float valve has been installed. This mechanism ensures that water levels are properly regulated, preventing wastage and potential damage from excessive overflow.
- The couch vacuum pump water recirculation system has been implemented. This system recirculates and reuses the water, optimising water usage and reducing overall consumption.
- The blower cooling water, is now redirected to the cooling tower in the effluent treatment plant (ETP). By reusing this water, the facility conserves resources and minimises the demand for fresh water.
- Water from the rewinder and hydraulic heat exchanger is collected and sent to a water reservoir for reuse. This recovery system allows the facility to maximise the utilisation of water resources and minimise wastage.
- The clear water obtained from the Dissolved Air Flotation (DAF) process undergoes further treatment. It passes through a multimedia filter and activated carbon filter before being reused. This multi-stage treatment ensures its efficient reuse in the production process. By minimising the consumption of fresh water, this process significantly reduces water usage and associated costs.



## Waste reduction

We understand that our actions have an impact on the planet, and we are committed to minimising that impact by implementing effective waste reduction measures.

### Our initiatives

The fly ash generated from our facility is sent to brick manufacturing units. It has ensured proper waste management and has also reduced the burden on landfills.

We have made a significant reduction in coal consumption by 40 tons per day (TPD) through the co-firing of ETP (Effluent Treatment Plant) primary sludge in the boiler. This innovative

approach ensures efficient utilisation of the sludge as a fuel source, thereby minimising the reliance on coal and decreasing the associated environmental impact.

The secondary sludge generated in the process is recovered and transformed into valuable manure through the utilisation of a decanter. This sustainable practice enables the

conversion of sludge into a beneficial resource that can be used for agricultural purposes, contributing to waste reduction while also promoting soil health.



## Ensuring protection of natural resources

We prioritise the preservation of natural resources and integrate sustainable practices into our production process. One of the key initiatives revolve around the development of greenbelts which play a vital role in supporting biodiversity, creating a natural habitat for various species of plants and animals and preserving the ecological balance.

Besides, we understand the importance of preserving the depleting forest cover. As a result, instead of depending on wood pulp to produce paper, we prioritise the use of waste paper and recycled fibre as a primary raw material for manufacturing paper and board. By doing so, we significantly reduce the demand for fresh timber, alleviate the pressure on forests and mitigate the negative impacts of deforestation.

## Minimising carbon emission

### Primary sludge burning as co-fuel

We are the only waste paper mill in India that has substantially reduced coal consumption and minimised carbon emission. To avoid disposal in landfills and prevent groundwater contamination, we have chosen to burn 100% primary sludge from our Effluent Treatment Plant (ETP) as a co-fuel in our power boiler.

Additionally, we have successfully demonstrated that co-firing de-inking sludge with coal has no adverse impact on the environment. In fact, this practice has led to a reduction in local air pollutants and greenhouse gas emissions. By substituting 40TPD (tons per day) of coal with primary sludge, we have significantly reduced the emission of air pollutants such as sulfur dioxide (SO<sub>2</sub>), carbon dioxide (CO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>), and suspended particulate matter (SPM).

### Online Ambient Air Quality Monitoring

The Company has implemented an advanced online ambient air quality monitoring system to minimise pollution and carbon emissions. This system includes three strategically positioned monitoring stations, covering the entire plant area at a 120-degree angle from the central emission point.

The main objective of this monitoring system is to continuously evaluate and track the air quality in the vicinity. Real-time data on various parameters related to air pollution is collected and transmitted to the industry's main gate. This data is accessible to the public, as well as regulatory bodies like the Central Pollution Control Board (CPCB) and State Pollution Control Board (SPCB).

Through active air quality monitoring, it creates a suitable and healthy environment for workers. Prompt actions can also be taken based on real-time monitoring of data. This approach helps to preserve air quality, safeguard human health, and minimise adverse impacts on the environment.



# Caring for communities

We realise our responsibility towards communities and society as a whole. It motivates us to engage in activities that have a meaningful impact on lives and foster sustainable development.

Our CSR strategy is centred around the seven pillars of:



**Education**



**Healthcare**



**Sustainable Environment**



**Animal Welfare**



**Livelihood & Women Empowerment projects**



**Rural Development & Community Welfare projects**



**Protection of National Heritage and promoting Art & Culture**



## Education

Our CSR initiatives in the education sector aim to provide equal access to quality education, regardless of background or socio-economic status. We address the needs of underserved communities and our efforts revolve around infrastructure development, scholarship to deserving students & supply of study materials. In FY 2022-23, we supplied benches, desks, notebooks, furniture, and financial assistance to students. We are providing exposure & shaping the future of more than 1,000 tribal students in our new CBSE affiliated EMAMI KISS School.

**~10,742**

Students Benefited

## 'TEACH' an ADULT mission

In our commitment to promoting literacy, we understand that age should not be a barrier. We firmly believe that literacy is a fundamental human right and serves as a catalyst for personal development, social advancement, and economic empowerment. As part of our upcoming initiatives in the following financial year, we are planning to launch an Adult Literacy project known as 'T E A C H' which aims to bring adult literacy to ~ 20 villages in the locality. Through the mission, we aim to empower adults with the necessary literacy skills to improve their lives and enhance contributions to communities



**A** Community Welfare **B** Promoting Education **C** Promoting Healthcare



### Healthcare

We deeply care about the healthcare needs of communities and undertake initiatives that enhance access to healthcare services, elevate the quality of care, and address healthcare disparities among underserved populations.

During the fiscal year 2022-23, we offered healthcare services to around 27,000 people through homeopathic and ayurvedic treatment camps. Additionally, we organised 17 general health camps, to benefit more than 2,200 individuals.

Under “Pradhan Mantri TB Mukht Bharat Abhiyan”, Emami has sponsored ₹ 1,50,000/- adopting 50 numbers of TB patients in Phase I for 6 months

~29,420

People benefited

~28

Villages covered



### Sustainable environment

We strongly emphasise the significance of preserving our environment for the well-being of present and future generations. Acknowledging the pressing environmental challenges, we are determined to reduce our environmental impact and strongly advocate environmental stewardship. In FY2023, we have planted more than 1,400 plants, furthering our commitment to forest conservation. Additionally, we have distributed more than 1,600 fruit-bearing plants to approx. 400 families within the community to encourage sustainable practices.

~3,100

Trees planted



### Animal welfare

We acknowledge the significance of treating animals responsibly and with kindness. Our organisation diligently tended to a herd of approx. 192 neglected cattle and created provision for their shelter and nourishment.



### Women empowerment

Our women empowerment programmes strive to cultivate a nurturing ecosystem that fosters entrepreneurship, enhances its economic resilience, and fosters overall well-being. The impact of these programmes are gauged not only by economic outcomes but, also by the women's social empowerment, improved self-esteem, and elevated social standing. We have partnership with Govt of Odisha under “Mission Shakti Mission”, we initiated a complimentary tailoring training programme for women's in neighboring village, in another neighboring village we have arranged Mushroom Cultivation Training Program and startup ecosystem for the needy women.



### Rural development and promotion of art and culture

In FY2022-23, we installed street lights in rural areas and financial assistant was provided to an old age home. Additionally, ~ 1,160 blankets were distributed, and financial support was extended to local organisations and the District Administration to promote art and culture for the support of handicraft artisans.

# Awards & Accolades



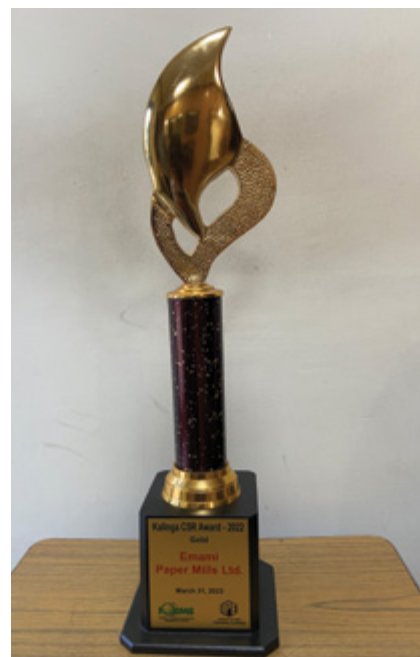
“Great Place to Work” recognition was granted to the Company by the “Great Place to Work – India”. This coveted certification is valid from January, 2023 to January 2024.



Energy Excellency Award by CII (Eastern Region) in which the Company was adjudged as “State Champion - Odisha”.



“Odisha” Leadership Award-2023” as most iconic organisation presented by World Manufacturing Congress



“KALINGA CSR AWARD-2022” for CSR initiatives from IQEMS, IPE & OSPC Bhubaneswar BY Hon. Finance Minister Of The State



CII National Award for Excellence in Water Management 2022 Identified as "Note Worthy Water Efficient Unit" in "Within the Fence" Category.



Best Export Award for the financial year 2019-20 was given to the Company at "Make in Odisha Conclave' 22".



Meritorious Performance Award at Odisha State Energy Conservation Award – 2022 by the state designated agency by BEE for "thermal power plants".



# Board of Directors



**Aditya V. Agarwal**  
Executive Chairman

C



**Manish Goenka**  
Vice Chairman

S F C



**Richa Agarwal**  
Non-executive Director

C



**H.M. Marda**  
Independent Director

A N S F C R



**S. Balasubramanian**  
Independent Director

A N



**J.K. Khetawat**  
Independent Director

A N R F

## Committees

- A** Audit Committee   **N** Nomination & Remuneration Committee   **S** Stakeholders Relationship Committee  
**F** Finance Committee   **C** Corporate Social Responsibility Committee   **R** Risk Management Committee

**Amit Kiran Deb**

Independent Director

**Sumit Banerjee**

Independent Director

**Mamta Binani**

Independent Director

**P.S. Patwari**

Executive Director

**Vivek Chawla**Whole-time Director &  
Chief Executive Officer



# Leadership Team



**Ashish Gupta**

President



**Soumyajit Mukherjee**

Jt. President (Sales and Marketing)



**Anil Kumar Singh**

Sr.Vice President (Production)



**Sachin Goenka**

Vice President  
(Business Strategy & Procurement)



**Mukesh Kumar Agarwal**

Assistant Vice President – Finance  
(Interim CFO)



**Sabyasachi Chakraborty**

Assistant Vice President (Engineering)



**Rajesh Kumar Mittal**

Assistant Vice President (BE)



**Debendra Banthiya**

Company Secretary & GM (Legal)



**Dr. Yusuf Ali Solanki**

General Manager (Human Resource)

# Management discussion and analysis

## Global economic overview

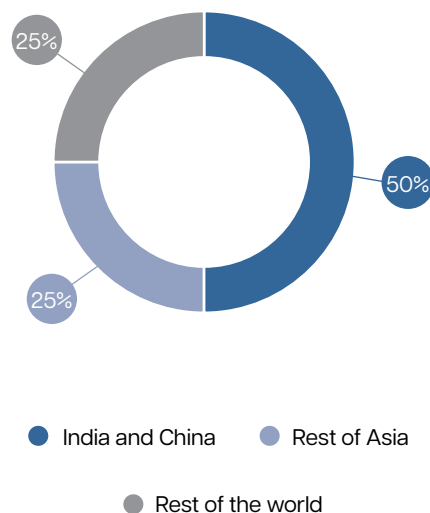
In CY2022, global economies reeled under the impact of numerous headwinds in the wake of mounting inflationary pressures and the Russia-Ukraine conflict in Europe. The sustained hike in interest rates by Central Banks to tame inflation and the ongoing food and energy crises in Europe are impeding economic activity.

Throughout the course of FY23, a stronger boost from pent-up demand in several economies or a sharp fall in inflation is anticipated. The emerging and developing economies of the world are gaining ground and are likely to play a crucial role in accelerating global economic growth in the years ahead.

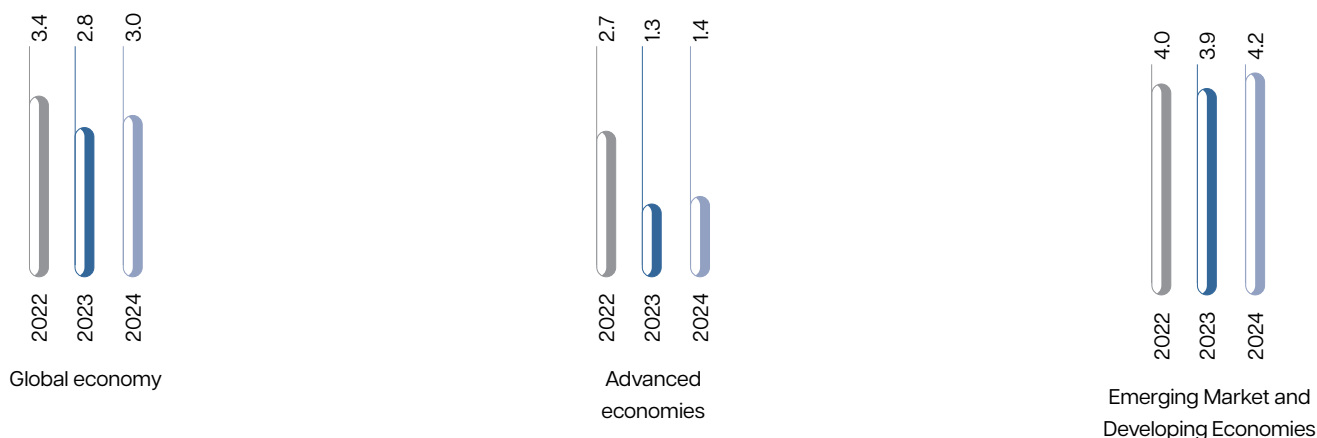
According to the IMF, India and China are expected to contribute more than 50% of the global growth in CY2023. As the headwinds in the Asia-Pacific region start to fade, the Emerging Market & Developing Economies (EMDEs) are set to clock a growth rate of 5.3% in CY2023.

Global economic output is expected to witness a slow yet steady rebound, driven by stabilising inflationary trends, reviving consumer sentiment and increasing investor confidence. The employment scenario in the US as well as other advanced economies has been promising when compared to pandemic levels and higher disposable income is also anticipated to facilitate the economy's growth in the upcoming years.

## Global Growth Contribution in CY2023 (%)

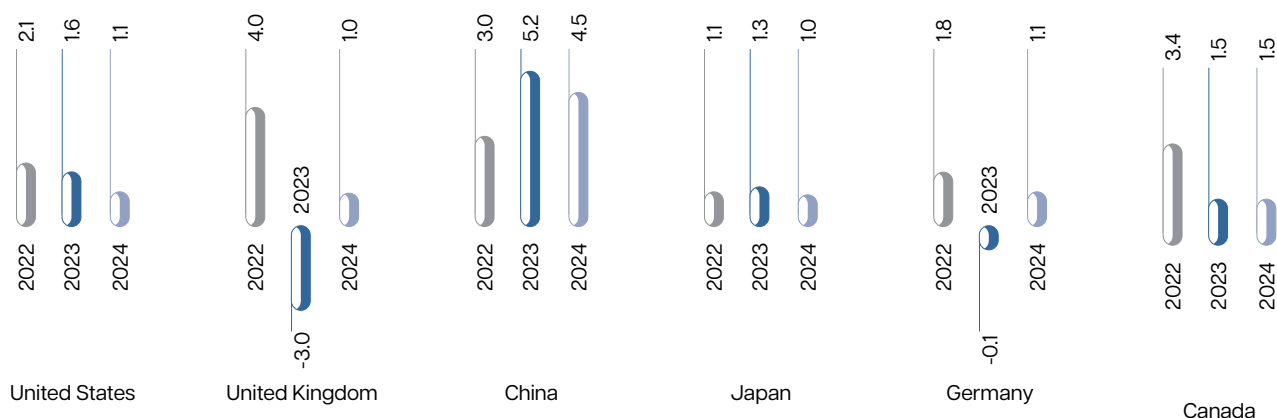


## GDP growth (%)



## Performance of major economies

### GDP growth (%)



## Indian economic overview

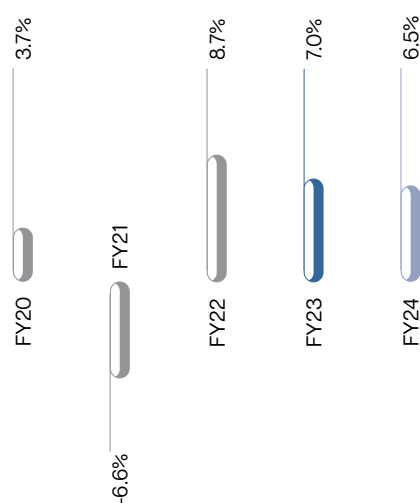
India's economy remained relatively shielded from the gloomy global outlook and emerged as the fastest-growing major economy in the world. The domestic economy demonstrated remarkable resilience to global headwinds during FY 2023. The second advance estimate by the National Statistical Office (NSO) reveals that the Indian economy is on track to clock a growth rate of 7% in FY 2023.

Based on sectoral analysis, it can be reported that this growth is driven by robust construction activity facilitated by robust infrastructure investment both by the Central Government and state governments, which is paving the way for large-scale employment opportunities as well.

A sustained hike in GST collections, electronic toll collections and the volume of E-Way bills generated during FY 2023 signify encouraging momentum. Indicators of the services sector (UPI transactions, high credit demand) also indicate sustained expansion.

While the post-pandemic private investment recovery is still at an early stage, there are tentative signs that indicate that India is poised for a stronger investment upcycle in both the manufacturing and services sectors.

Overall, demand conditions in India remain conducive to economic growth. India remains bullish about the new fiscal year, bolstered by underlying and overall macroeconomic stability, while remaining cautious of emerging geopolitical and geo-economic concerns.

**GDP growth Y-o-Y (%)**

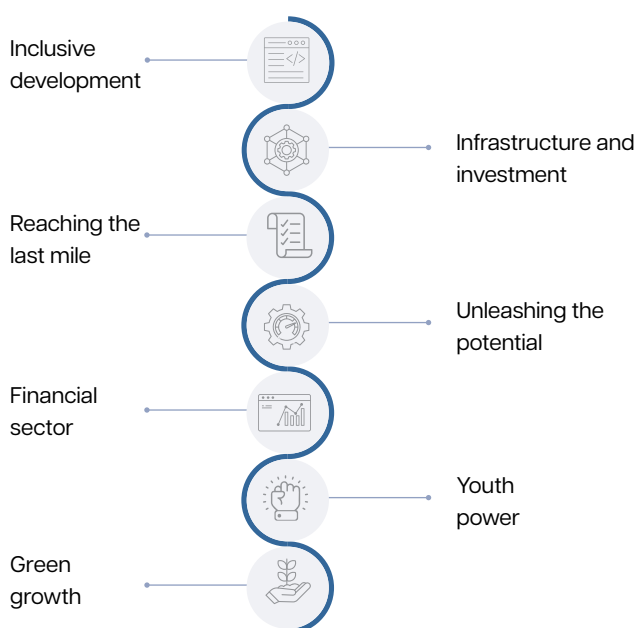
India

(Source- National Statistical Office)

**Union Budget 2023-2024**

The objectives of the FY 2023-24 Union Budget are aligned with India's ambitions for the 'Amrit Kaal' era, which is the period leading up to its 100th year of Independence. The Union Budget for FY 2023 is expected to foster equitable growth and strengthen India's position as the leading fast-growing large economy globally.

The Budget reinforces the goals of fostering India's self-reliance, encouraging investment across multiple sectors, and strike a balance between borrowing and spending. Reductions in personal taxes are anticipated to boost consumption across all consumer segments.

**Saptarishi- 7 priorities**

The Government has announced an enhanced capex of INR 10 lakh crore for the third consecutive year, which is aimed at bolstering economic growth, creating job opportunities, pitching in private investments and protecting the economy from global challenges. The effective capital expenditure of the Central Government will be INR 13.7 lakh crore in FY 2023-24. Additionally, the Government has established a new Infrastructure Finance Secretariat to promote and facilitate private investment in infrastructure projects.

The Indian government has offered an enhanced impetus to the Defence Sector by allocating INR 5.94 lakh crore for the current fiscal year, as compared to last year's INR 5.25 lakh crore. Out of this, INR 1.62 lakh crore has been earmarked for capital expenditure, which includes the procurement of new weapons, aircraft, warships and other military hardware.

The Government has set a target of reducing the fiscal deficit to below 4.5% by FY 2025-26. Additionally, a revamped credit guarantee scheme for Micro, Small and Medium Enterprises (MSMEs) is set to be executed on April 1, 2023, with an allocation of INR 9,000 crore in its corpus. This scheme aims to provide additional collateral-free guaranteed credit of INR 2 lakh crore and lower the cost of credit by approximately 1%. Furthermore, the Government will roll out the Pradhan Mantri Kaushal Vikas Yojana 4.0, a scheme to upskill the youth for capitalising on international opportunities. Towards this end, 30 Skill India International Centres will be established across various states in the country.

The Indian government has designated INR 35,000 crore as priority capital for the transition to renewable energy. A green credit programme will be notified under the Environment Protection Act to support this initiative. Additionally, the Government has launched the National Green Hydrogen Mission, which will receive an outlay of INR 19,700 crore. This Mission aims to facilitate the country's transition to a low carbon economy (LCE), reduce dependence on fossil fuel imports and enable the country to gain technology and market leadership.

The Union Budget for 2023-24 allotted an enhanced outlay of INR 2.70 lakh crore for the highways sector. The allocation for the National Highways Authority of India (NHAI) has increased by 13.90% to INR 1.62 lakh crore for FY 2023-24. Moreover, the scope of services provided by DigiLocker is set to be expanded, offering greater accessibility and convenience to users. Additionally, 100 labs for creating applications that use 5G services will be developed in engineering institutions, further promoting the country's technological advancement.<sup>1</sup>

<sup>1</sup> <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1895315>

## Industry overview

### Global paper industry

The global market for pulp and paper was worth USD 387.6 billion in 2022 and is expected to reach USD 477.7 billion by the year 2028, with a compound annual growth rate (CAGR) of 3.5% between 2022 and 2028.<sup>2</sup> Higher demand for eco-friendly packaging products, as well as developments in recycling infrastructure within the pulp industry are projected to drive this growth. Moreover, the demand for pulp-based packaging is anticipated to witness a surge in the near future owing to growing public aversion to plastic and government initiatives aimed at limiting the use of single-use plastics. These factors are likely to contribute to the global pulp and paper market's expansion.

The ever-growing demand for paper from the chemical and industrial processing industries in both advanced and emerging economies has boosted the pulp and paper market. Additionally, diversifying the range of applications for paper and pulp in packaging materials, particularly in developing nations, coupled with the growth of varied end-user sectors, is driving market growth.

### Challenges faced

The global paper industry has confronted several headwinds that have contributed to the present all-time high pulp prices. One of the key concerns is the geopolitical conflict in the West, which has led to trade tensions and higher tariffs on certain products. This has made importing pulp from certain regions more challenging and expensive for paper manufacturers.

Apart from the trade tensions, the resurgence of COVID in China affected the global supply chain for pulp and paper products. The geopolitical conflict between Russia and Ukraine led to disruptions in raw material production and shipping, particularly pulp. This further exacerbated the already strained supply chain, leading to shortages and inflated pulp prices. These high pulp prices have had a ripple effect throughout the paper industry, with manufacturers battling to sustain profitability due to rising raw material costs.

Notwithstanding these challenges, the global paper industry has demonstrated sheer resilience by adapting to evolving market trends. Many businesses are exploring alternative sources of pulp, such as recycled materials and sustainably managed forests, to reduce their reliance on imported raw materials. Additionally, technological advancements and enhanced production processes are assisting manufacturers to improve efficiency and reduce waste, thereby helping offset the higher costs of pulp.

### India's paper industry

The paper industry in India is expanding at a phenomenal pace, which is one of the swiftest observed worldwide. Between 2022 and 2028, the Indian paper market is projected to grow at an 8%

Compound Annual Growth Rate (CAGR). This growth trajectory is predicted to persist in the upcoming years, owing to the Indian economy's sound macroeconomic fundamentals and its ability to withstand the consequences of global disruptions.

The paperboard and industrial packaging paper markets, as well as the newspaper print markets, are estimated to account for over 70% of the total paper market share. However, the stationery paper and speciality paper sectors are predicted to experience an upward trend in annual market growth in terms of volume, while the growth of the stationery paper market in terms of value is likely to decline. At present, the growing demand for environment-friendly products is driving manufacturers to seek effective ways to meet this emerging demand. The paper industry is benefiting from technological advancements, which have resulted in improved production capacity and reduced fuel costs, among other advantages, thus enabling the industry to scale new heights.<sup>3</sup> The pandemic adversely impacted paper consumption, leading to a sharp decline. However, demand has recuperated strongly in the current fiscal year, surpassing pre-pandemic levels.

The lockdown of the Chinese economy caused mills in China to flood the Southeast Asian market with their paper goods, significantly affecting paper businesses in India, which relies on this market for its exports. As a result, Indian companies saw a drop in their market share and profitability. Furthermore, an energy crisis in the Euro region posed a severe threat to the industry.

However, the industry has made great strides in limiting various consumption parameters, such as power and water consumption, as well as other environment-related factors. Specifically, water consumption has decreased by 75% compared to its previous levels and energy consumption has also declined by 30%.<sup>4</sup>

### Packaging paper industry

Fast-Moving Consumer Goods (FMCG), pharmaceuticals and e-commerce sectors are anticipated to contribute to India's packaging paper industry's substantial growth in recent years. Moreover, the pandemic has expedited the growth of the packaging industry owing to the higher consumer preference for online shopping, which has resulted in a surge in demand for corrugated boxes and alternative packaging materials.

The packaging paper industry encounters a significant obstacle in terms of sourcing raw materials such as pulp and wastepaper, which often pose availability and cost-related challenges. The Government is adopting measures to tackle this concern by promoting the use of agro-based raw materials and introducing several policies to encourage wastepaper recycling. Another factor that is likely to propel the packaging paper industry's progress is the greater emphasis on eco-friendly packaging solutions. Businesses are dedicating their resources to investing in sustainable packaging alternatives, particularly paper-based options to replace plastic packaging.

<sup>2</sup><https://www.researchandmarkets.com/reports/5661719/global-pulp-and-paper-market-volume-value>

<sup>3</sup><https://www.researchandmarkets.com/reports/4593544/india-paper-market-overview-2022-28>

<sup>4</sup><https://papermart.in/indias-paper-industry-towards-global-competitiveness-sustainability/>



It is expected that the paper packaging sector in India will sustain its growth trajectory, with revenues projected to improve by 14-16% during FY 2022-23, following a growth rate of approximately 35% in FY 2021-22.<sup>5</sup> This growth can be attributed to increased volume, which is likely to drive the utilisation levels of industry players to near-optimal levels, consequently stimulating capacity expansion through the removal of supply chain bottlenecks and the establishment of new manufacturing facilities.

As per CRISIL Ratings, the paper packaging industry accounts for approximately 40% of the total revenue generated by the paper sector. This underscores the crucial role played by paper packaging in the overall paper packaging industry. The capacity of the paper sector is largely dominated by paper packaging, accounting for approximately 55-60% of the total capacity.

### Writing and printing paper industry

The growth of the printing and writing materials market is being propelled by the increasing demand for printed catalogues. Retailers are executing multi-channel marketing strategies that integrate both online and physical marketing channels. The distribution of printed catalogues has emerged as a vital sales and marketing tactic to reach customers in the offline segment.

The writing and printing segment holds a considerable share of approximately 25% in India's paper industry, whereas the newspaper segment accounts for nearly 10%.<sup>6</sup>

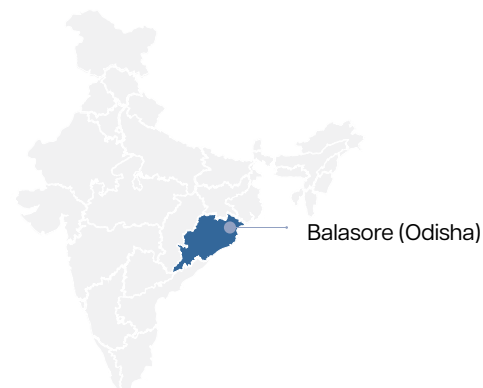
### Packaging sector growth to drive printing paper market

Considering the widespread use of tissue and packaging materials, global demand for printing papers has climbed immensely. The higher demand for containerboards has boosted the need for printing materials used in tissues and packaging. However, the Company's operations may be impeded by the stringent environmental regulations that govern the paper and pulp industry. Nonetheless, the adoption of innovative packaging solutions is likely to provide a major impetus to the printing paper industry's growth.

## Company overview

Since its inception in 1981, Emami Paper Mills Limited has emerged as a leading Indian manufacturer of writing and printing paper, newsprint and packaging boards. The Company has undertaken rapid product range diversification, augmented production capacities and achieved a strong foothold in both domestic and international markets. The Company is committed to sustainability and has incorporated precise measures to safeguard the environment in its current as well as future operations. The Company's innovation-led strategy has also contributed to its success. Furthermore, the Company's resolute focus on customer-centricity and its robust reputation have enabled it to reinforce its leading position in the Indian paper industry.

## Manufacturing location



### Size press installation

The Company completed the installation of its size press in September this year, which is mainly used for writing paper printing.

## Opportunities

### Rising focus on sustainable packaging

The Government and consumers are increasingly focusing on environmentally sustainable packaging solutions, which presents an opportunity for the Company as paper-based packaging is a more eco-friendly alternative to plastics and other non-biodegradable materials. The Company can capitalise on this opportunity by investing in research and development to create innovative and sustainable packaging solutions.

### Increasing demand for paper products

The increasing demand for paper products in the country presents a significant opportunity for the Company to grow and expand its operations. The growth in demand is driven by several factors, including the expansion of the Indian economy, population growth and increasing awareness among the people.

### Growing e-commerce sector

With the expansion of e-commerce businesses, an increase in the demand for packaging materials, specifically those made of paper and paper-based products, is projected. The Company can capitalise on this opportunity to capture a substantial portion of the growing e-commerce packaging market, thereby ensuring sustained growth and success.

### Expansion of the digital printing industry

Digital printing is gaining popularity due to its high-quality output and fast turnaround times; however, it requires a range of specialised papers. As a leading paper manufacturer, the Company can tap into this growing demand for digital printing papers and cater to the needs of this expanding industry.

<sup>5</sup><https://www.crisilratings.com/en/home/newsroom/press-releases/2022/11/paper-packaging-cos-set-to-up-capacity-on-demand-prospects.html>

<sup>6</sup><https://www.crisilratings.com/en/home/newsroom/press-releases/2022/11/paper-packaging-cos-set-to-up-capacity-on-demand-prospects.html>



## Threats

### Intense competition

The paper industry in India is highly competitive, with a large number of players operating in the market. There are many established players in the paper industry, as well as new entrants and smaller companies trying to capture a sizable market share. This creates competition, with businesses vying for customers and striving to maintain their market position. Moreover, competition from imported paper products is also a significant threat to the domestic paper industry in India. This can lead to price wars and reduced profit margins for the Company.

### Digitalisation

The higher prevalence of digital devices and the shift towards a paperless society can impact the demand for paper products. With the advancement of technology, people are increasingly relying on electronic communication and storage, resulting in reduced demand for paper products. Additionally, e-books and e-magazines are gaining popularity, resulting in a decline in demand for physical paper books and magazines. This can result in reduced sales and profits for the Company.

### Volatile raw material costs

The Company relies heavily on raw materials such as pulp and other chemicals to manufacture its products. With rising global demand and supply chain disruptions, the cost of these raw materials is expected to increase significantly, thereby affecting the Company's profit margins.

### Fluctuations in foreign currency rates

The Company is involved in the import and export of raw materials and finished products, which exposes the Company to the risks of foreign currency fluctuations. Any significant variation in the value of the Indian rupee against major currencies can potentially affect the cost of raw materials, the pricing of finished goods and ultimately the profitability of the Company.

## Risk management

The Company is exposed to varied risks, both within and outside its operational domain. To proactively track, control and alleviate these risks, the Company has implemented a range of systems, procedures and review mechanisms.

## Risk management committee

Mr. H. M. Marda  
(Chairman)

Mr. J. K. Khetawat  
(Independent Director)

Mr. Vivek Chawla  
(Whole-time Director and CEO)

Risk Category	Risk Description	Mitigation
<b>Asset utilization risk</b>	Erratic demand could affect asset utilization.	The company possess a fungible capacity between newsprint as well as writing & printing paper, responding flexibly to market movements that ensured that its capacity was adequately utilized, empowering the company to amortise fixed costs effectively.
<b>Raw material risk</b>	The Company's operations depend on the procurement of pulp from overseas entities, as it is an essential ingredient in the production of paper. The accessibility of pulp significantly affects the Company's paper manufacturing business.	The Company is continuously exploring alternative sources of raw materials to mitigate the impact of imported raw material costs. The company's purchase department keeps a careful eye on the market. In addition to making strategic purchases in the event of supply shortages, effective hedging strategies are implemented based on market knowledge to balance increases in raw material costs.
<b>Talent risk</b>	The Company faces the risk of talent attrition.	The company strengthened its people-facing initiatives, enhancing a pride of association. The company provided an exciting workplace that was delegated, empowered and incentivised. The result is that people retention was a high during the year under review.
<b>Regulatory compliance risk</b>	The Company operates in a highly regulated industry and non-compliance with regulations can result in legal penalties and damage to the Company's reputation.	The Company instituted a team to monitor compliances, ensuring that this was done promptly and comprehensively.

Risk Category	Risk Description	Mitigation
<b>Currency risk</b>	The Company exports a significant portion of its products and fluctuations in foreign exchange rates can affect its profitability.	All outgo in foreign currency including loans are hedged by way of Forward contracts.
<b>Economic risk</b>	Economic downturns can affect the demand for paper products and adversely impact the Company's revenue.	The Company had broad-based its product mix to moderate an excessive dependence on any one segment, though the packaging segment accounted for the largest revenue proportion.
<b>Quality risk</b>	The Company's failure to provide customers with high-quality products may have an adverse effect on the demand for its products.	The company's certifications (ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018) show that it complies with modern quality, environmental, and safety standards.
<b>Liquidity risk</b>	The occurrence of substantial debt may have an adverse impact on both the liquidity and profitability of the Company.	The company continued to make value-added paper varieties, enhanced capacity utilization, negotiated competency for resources (terms of trade), and moderated debt through timely repayment, strengthening its liquidity.
<b>Cyber security risk</b>	Serious cyber-attacks can lead to the compromise of crucial information, thereby causing substantial financial repercussions for the overall operations of the Company.	The company has an IT Security Policy, and the in-house IT Team ensures that internal data breaches do not occur by adopting in-place data backup with Microsoft OneDrive and Bit locker encryptions. Access control and firewall security also safeguard endpoint systems from Malware, virus, Trojan, and Ransomware.

### Significant changes in key financial ratios

Particulars	Key financial ratios		Change in ratio	Explanation
	2022-23	2021-22		
Debtors' Turnover	9.61	9.35	0.26	Improvement as a result of increased turnover.
Inventory Turnover	8.51	10.94	(2.43)	Increased cost of inputs and consequential increase in FG/SFG stock value has caused fall in this ratio.
Interest Coverage Ratio	3.10	3.62	(0.53)	19% reduction in interest cost has not been reflected in this ratio because of lower profitability during 2nd half of the financial year.
Current Ratio	0.92	0.83	0.09	Despite year on year basis improvement through optimization, it is yet to achieve the benchmark, since the company has high repayment obligation.
Debt Equity Ratio	1.23	1.20	0.03	Long-term debt obligations have been repaid but short-term debt increased to support working capital need.
Operating EBITDA Margin (%)	10.28%	16.45%	(6.17%)	Reduced profitability of paperboard during 2nd half of the year leads to fall in profitability/margin ratios.
Operating Profit Margin (%)	8.68%	13.86%	(5.18%)	
Net Profit Margin (%)	3.00%	5.86%	(2.87%)	
Return on net worth	10.23%	19.25%	(9.02%)	

## Human resource

The Company values its human capital and has always acknowledged them as key to its success. It has implemented numerous measures to nurture a productive and engaged workforce. The Company endeavours to foster a safe and healthy work culture for all its people, having established robust health and safety policies and practices. The Company also offers regular training and development opportunities for employees, enabling them to acquire new skills and progress within the organisation. Furthermore, the Company is committed to promoting diversity and inclusivity in the workplace, recognising that a diverse and inclusive workforce drives innovation and productivity, leading to operational excellence.

**1,111**

Total employees

## Sustainability

Sustainability has always been a business imperative at Emami Paper. The Company has always promoted environmental consciousness with an unwavering focus on recycling. The Company is committed to sourcing wood pulp only through suppliers certified by the Forest Stewardship Council (FSC). The Company's firm commitment to protecting and safeguarding the environment highlights its dedication to responsible business practices. This has also positioned the Company in a sweet spot to witness sustained growth in a world where sustainability is becoming increasingly vital.

## Internal control systems

The Company has implemented a comprehensive internal control mechanism to ensure the efficient and secure conduct of its operations. The controls are designed to prevent and detect frauds and errors, maintain accurate and complete accounting records, and ensure timely preparation of reliable financial information as per the Management Information System (MIS). The primary objective of these controls is to provide reasonable assurance regarding the proper accounting controls, reliable financial reporting, and monitoring of operations while protecting the Company's assets from unauthorised use or losses and ensuring compliance with regulations. The Company has made sustained efforts to align its processes and controls with global best practices.

In addition to implementing robust internal controls, the Company has engaged the services of an external and independent Audit Firm to act as its internal auditors. The role of these auditors is to periodically review and monitor the effectiveness of the Company's internal control measures pertaining to its operations.

During the meetings of the Audit Committee, internal auditors are in attendance to discuss their audit reports, management comments, and observations. The Audit Committee's Terms of Reference encompass various responsibilities, including reviewing the adequacy of the internal control environment, monitoring the implementation of action plans resulting from internal audit findings, and ensuring the Company's Risk Management Systems are strengthened in compliance with statutory mandates.

The Company operates a comprehensive budgetary control system, with key performance indicators (KPIs) established for all significant operational parameters. The management team regularly monitors and reviews these KPIs during Management Committee Meetings, which are chaired by the Whole-time Director of the Company and attended by all departmental heads. Necessary corrective and preventive actions are taken based on the findings and recommendations discussed during these meetings.

## Cautionary statement

The MDA section may contain forward-looking statements regarding future prospects. These statements involve various known and unknown risks and uncertainties, which may result in material differences between actual results and the forward-looking statements. In addition to changes in the macro-environment, the emergence of a global pandemic like COVID-19 can introduce unforeseen, unprecedented, unascertainable, and continuously evolving risks to the Company and its operating environment. The estimates and figures presented in the report are based on certain assumptions made by the Company, taking into account internal and external information that is currently available. However, the factors underlying these assumptions can change over time, leading to corresponding changes in the estimates on which they are based. It should be noted that forward-looking statements only reflect the Company's current intentions, beliefs, or expectations as of the date on which they were made. The Company is not obligated to revise or update any forward-looking statements in light of new information, future events, or other factors.

# Board's Report

Dear Shareholder(s),

Your Directors are pleased to present the Company's 41<sup>st</sup> Annual Report on business and operations, together with the Audited Financial Statements for the financial year ended March 31, 2023.

## 1. FINANCIAL PERFORMANCE

(₹ in crore)		
Particulars	2022-23	2021-22
<b>Revenue from Operations</b>	<b>2,308.11</b>	<b>1,957.71</b>
Other Income	2.46	2.05
<b>Total Income</b>	<b>2,310.57</b>	<b>1,959.76</b>
<b>Earnings before interest,taxes,depreciation and amortisation (EBITDA)</b>	<b>237.29</b>	<b>322.43</b>
Less: Finance Cost & FEF loss (gain)	76.60	89.22
Less: Depreciation & Amortisation	67.59	73.88
<b>Profit Before Exceptional items and Tax</b>	<b>93.10</b>	<b>159.33</b>
Add/(Less): Exceptional Items	-	(5.94)
<b>Profit before Tax</b>	<b>93.10</b>	<b>153.39</b>
Less: Tax expense	23.93	38.59
<b>Profit after Tax</b>	<b>69.17</b>	<b>114.80</b>
<b>Earnings per Equity Share (EPS) (face value ₹ 2/- each)</b>		
- Basic ( in ₹ )	<b>10.62</b>	<b>18.17</b>
- Diluted ( in ₹ )	<b>8.71</b>	<b>14.45</b>

## 2. STATE OF COMPANY'S AFFAIRS AND OUTLOOK

During the year under review, your Company achieved a steady growth while continued to recover through global pandemic challenges and the uncertainty caused by the global geopolitical developments such as russia-ukraine war. The war contributed to high commodity prices, tightening of monetary policy and a growth slowdown. In addition, the lockdown of the Chinese economy caused mills in China to flood the Southeast Asian market with their paper goods, significantly affecting paper businesses in India, which relies on this market for its exports. As a result, Indian paper and paper board companies saw a drop in their market share and profitability. Furthermore, an energy crisis in the Euro region posed a severe threat to the industry.

During FY 2022-23, your Company witnessed a significant impact from the rising prices of major imported raw materials such as pulp, waste paper and fuel. Amidst a trend of global greenflation, there has been also a surge in freight rates and container costs. Currently, we are sourcing raw materials from countries like United States of America, United Kingdom, Canada, New Zealand, Indonesia, etc. During the pandemic period and even thereafter, there were bottlenecks with regards to supply chain which is gradually now streamlining.

Despite external volatile environment, your Company was able to achieve highest ever turnover i.e. ₹ 2,308 crore achieving a growth of 18% over the immediately preceding financial year. The EBITDA, Cash profit and Profit after tax (PAT) for the year under review stood at ₹ 237.29 crore, ₹ 160.69 crore and

₹ 69.17 crore respectively. During the year under review, the export sales of the Company declined mainly due to increase in export from China to the Southeast market at throwaway prices where the paper industry in India was exporting. This led to sharp fall in the prices of the Paper Board in the countries where the Company was exporting. In FY 2022-23, the Company's export sale stood at ₹ 270 crore compared to ₹ 586 crore in immediately preceding financial year.

During the year under review, size press successfully retrofitted in the largest newsprint machine of your Company making it suitable for producing other grades of papers. The trial run has been successfully completed. For the first time in the Indian Paper Industry, such a project in a running mill was successfully commissioned. With the successful commissioning of size press, the company was able to cater to the increasing market demand in the writing and printing paper segment apart from Newsprint. During the year under review, the writing and printing paper segment gave a good realization.

The implementation of a ban on single-use plastic starting from July 2022 has sparked a positive surge in the demand for paper-based products. This shift has resulted in promising growth opportunities for the paper board and packaging paper segment. To capitalize on this trend, paper manufacturers have proactively increased production and invested in advanced technologies to improve the quality and durability of their products.

Additionally, the aftermath of the COVID-19 pandemic has witnessed a significant transformation in consumer preferences towards eco-friendly and sustainable products. This shift in mindset has created a favorable market environment for the paper industry. Looking ahead, your company is well-positioned to leverage its state-of-the-art manufacturing facilities, market leadership in value-added paper boards, writing & printing paper and newsprint, as well as its established supply chain system. These strategic advantages will further enhance your company's leadership status in the Indian Paperboard and Paper Industry in the forthcoming years.

### 3. DIVIDEND

Your Director's are pleased to recommend dividend of ₹ 8/- (i.e. 8%) per preference share of face value of ₹ 100/- each and ₹ 1.60/- (i.e. 80%) per equity share of face value of ₹ 2/- each for the financial year ended 31<sup>st</sup> March, 2023. The dividend payout is in accordance with the Company's Dividend Distribution Policy.

#### Dividend Distribution Policy

In order to provide a broad Dividend Distribution framework to all the Stakeholders of the Company, your Company has adopted the Dividend Distribution Policy pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is available on the Company's website at [http://www.emamipaper.in/downloads/dividend\\_policy.pdf](http://www.emamipaper.in/downloads/dividend_policy.pdf)

In terms of Section 125 of the Companies Act, 2013, the unclaimed or unpaid Dividend is due for remittance to the Investor Education and Protection Fund established by the Central Government in accordance with the schedule given below:-

Financial year	Dividend ID No.	Last date of Payment of dividend	Total Amount of Dividend (in ₹)	Unclaimed Dividend as on 31.03.2023 (in ₹)	Last date for transfer to IEPF on
2015-16	34 <sup>th</sup>	16-09-2016	3,63,00,000	98,182.80	16-09-2023
2016-17	35 <sup>th</sup>	20-09-2017	7,25,98,860	2,02,544.40	20-09-2024
2017-18	36 <sup>th</sup>	09-10-2018	7,25,98,860	1,38,367.20	09-10-2025
2018-19	37 <sup>th</sup>	18-09-2019	7,25,98,860	1,34,283.60	18-09-2026
2021-22	40 <sup>th</sup>	25-09-2022	9,67,98,480	1,02,572.60	25-09-2029

Note - In view of the Covid 19 and extraordinary circumstances, your Directors did not recommended any dividend for the financial year ended 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2021 respectively.

#### Unclaimed Dividend

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, Unclaimed Dividend amount of ₹ 94,496 of the Company for the Financial year ended 31<sup>st</sup> March, 2015 has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013 on 22<sup>nd</sup> September, 2022. The details of Unclaimed dividend on equity shares is available on company's website at [www.emamipaper.in](http://www.emamipaper.in).

#### Transfer of Unclaimed Shares to Investor Education & Protection Fund (IEPF)

As per provisions of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 the Company has issued individual Notice through registered post to all the shareholders whose dividends were lying Unclaimed for consecutive seven years and public notice in this respect has been given in english and vernacular newspapers and details of such shareholders were uploaded on Company's website.

During the year under review, the Company has transferred 1,850 equity shares on which dividend were unclaimed for seven consecutive years, to the demat account of IEPF maintained with NSDL within the prescribed time.

Till date, the company has transferred 1,22,142 Equity Shares to the IEPF demat account and ₹ 7,63,563.30 towards dividend to IEPF.

#### 4. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of your Company which has occurred between the close of the financial year i.e. 31<sup>st</sup> March, 2023 and date of this report. There has been no change in the nature of business of your Company.

#### 5. SHARE CAPITAL

The Company's paid-up equity share capital continues to stand at ₹ 12.10 Crore as on 31<sup>st</sup> March, 2023. The said shares are listed on BSE Ltd. and National Stock Exchange of India Ltd. (NSE). During the year under review, the Company has not issued any shares or convertible securities or shares with differential voting rights and nor granted stock options or sweat equity.

#### 6. TRANSFER TO RESERVE

Your Directors do not propose to transfer any amount to the General Reserve for the year under review.

#### 7. PUBLIC DEPOSITS

Your Company has not invited or accepted any deposits under Section 73 of the Companies Act, 2013 and the Rules made thereunder.

#### 8. SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Your Company does not have any Subsidiary or Joint Venture or Associate Companies.

#### 9. BOARD OF DIRECTORS' & KEY MANAGERIAL PERSONNEL

##### a. Changes in Directors and Key Managerial Personnel

During the year under review, following changes took place in the composition of the Board of Directors & Key Managerial Personnel of your Company:-

- Mr. Sushil Kumar Khetan, Director (Operations) & CFO, resigned from the closure of business hours on 31<sup>st</sup> May, 2022.
- Based on the recommendation of Nomination and Remuneration Committee and approval of the Audit Committee, the Board of Directors of the Company at its meeting held on 28<sup>th</sup> November 2022, appointed Mr. Mukesh Kumar Agarwal, Assistant Vice President (Finance), as Interim Chief Financial Officer ("Interim CFO") and as Key Managerial Personnel of the Company w.e.f. 28<sup>th</sup> November 2022.

- Mr. Pitamber Sharan Patwari (DIN: 00363356) was re-appointed as Executive Director for a term of 3(Three) years commencing from 1<sup>st</sup> April 2020 and accordingly, his tenure ended on 31<sup>st</sup> March, 2023. Based on the recommendation of the Nomination and Remuneration Committee and Audit Committee, the Board of Directors at their meeting held on 13<sup>th</sup> February, 2023 has appointed Mr. Pitamber Sharan Patwari as an Additional Director in the category of Non-Executive Non-independent Director w.e.f. 1<sup>st</sup> April, 2023, liable to retire by rotation, to hold office up to the date of commencement of ensuing Annual General Meeting of the Company.

The shareholders of the Company by passing Special Resolution through postal ballot (remote e-voting) have approved the appointment of Mr. Pitamber Sharan Patwari along with his remuneration as Non-Executive Non-Independent Director w.e.f. 1<sup>st</sup> April, 2023. The deemed date of passing the Special Resolution was the last date of remote e-voting i.e. 15<sup>th</sup> April, 2023.

##### b. Directors retirement by rotation

Mr. Manish Goenka, Whole-time Director (DIN: 00363093) would retire by rotation and being eligible, offers himself for re-appointment.

##### c. Declaration by Independent Director(s)

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. The Independent Directors have also complied with a Code of Conduct for Directors and Senior Management Personnel.

##### d. Meeting of Board of Directors and its Committees

During the year, five meetings of the Board of Directors were held. The details of Board Meetings held and attended by each Director and composition of various Committees of Board of Directors are detailed in the Report of Corporate Governance which forms an integral part of this report and is annexed hereto.

##### e. Policy on Directors Appointment and Remuneration

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has approved the Nomination and Remuneration Policy based on the recommendation of the Nomination & Remuneration Committee and the said policy is hosted on the Company's website at [http://www.emamipaper.in/downloads/epml\\_nrc\\_policy.pdf](http://www.emamipaper.in/downloads/epml_nrc_policy.pdf).



The Policy includes the criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Act.

#### f. Evaluation of Board, its Committees and Directors

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 and relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), the Board at its meeting held on 26<sup>th</sup> May, 2023, has carried out the annual evaluation of its own performance and that of its Committees, Chairman and Individual Directors.

The manner in which the evaluation was carried out has been explained in the Report on Corporate Governance.

#### g. Separate Meeting of the Independent Directors

The Independent Directors of the Company met separately on 13<sup>th</sup> February, 2023, without the presence of Non-Independent Directors. All the Independent Directors were present at the meeting. Following matters were, *inter alia*, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company after taking into account the views of Executive and Non-executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## 10. CREDIT RATING

During the financial year under review, your Company was assigned credit rating of IND A-/Stable for its Loan facilities by India Ratings and Research. This reaffirms the reputation and trust the Company has earned for its sound financial management and its ability to meet its financial obligations.

## 11. AWARDS AND RECOGNITIONS

During the year under review, your company has received prestigious recognition for its outstanding achievements, earning several notable awards in various domains which includes:

- Energy Excellency Award by CII (Eastern Region) in which the Company was adjudged as “State Champion - Odisha” in the manufacturing category of energy conservation. This recognition is for excellence in the Energy Conservation.
- “Great Place to Work” recognition was granted to the Company by the “Great Place to Work – India”. This coveted certification is valid from January, 2023 to January 2024.
- CII National Award for Excellence in Water Management 2022 identified your company as “Note Worthy Water Efficient Unit” in “Within the Fence” Category.
- “Meritorious Performance Award” at Odisha State Energy Conservation Award – 2022 by the state designated agency by BEE for “thermal power plants”.
- “Odisha” Leadership Award-2023” as most iconic organisation presented by World Manufacturing Congress.
- “KALINGA CSR AWARD-2022” for CSR initiatives from IQEMS, IPE & OSPC Bhubaneswar by Hon. Finance Minister of the State of Odisha.

## 12. ENVIRONMENT MANAGEMENT

Your Company's approach towards environmental protection is guided by the Company's Environmental Policy, commitment towards a sustainable planet, a clean environment and a healthy workplace for its employees. The Company focuses on environmental management not only to comply with the applicable regulatory regime but also strives to contribute positively to the communities around its operations through varied community initiatives, encouraging biodiversity and natural resource conservation.

To meet its environmental objectives, the Company adopts the following:

- Compliance to all relevant legislative requirements.
- Minimize Pollution Load of Liquid Discharge as well as Air Emission.
- Stimulate rational use of resources through behavioral and technological improvements.
- Minimizing waste and maximizing recycling/ reuse.
- Creating Awareness amongst the society and employees on Environment, Health and Safety.
- Promoting comprehensive programs for continual improvement of Environmental performance.
- Reducing specific energy consumption and thereby reducing the associated greenhouse gas emission.

Your Company has adopted one of the best Integrated Management Systems (IMS) certified by DNV-GL (a member of Det Norske Veritas” group, Netherlands) through their rigorous surveillance and certification audits, encompassing the following:

- ISO 9001:2015 - Quality Management System
- ISO 14001:2015 - Environment Management System

- ISO 45001:2018 - Occupational Health & Safety Management System

At Emami Paper, significant progress has been made in energy conservation with the installation of energy efficient equipment along with various other measures.

On the Environment front, some of the vital environment control equipment and monitoring devices installed and maintained by the company are;

- Continuous Ambient air quality monitoring system (CAAQMS-3 Nos.)
- Continuous emission monitoring system (CEMS - 3 Nos.) with remote calibration facility.
- IP surveillance cameras installed for Stack emission visibility.
- Real Time Effluent Monitoring System(RTEQM) for final treated effluent quality measurement and uploading quality data to CPCB & OSPCB web servers.
- Online groundwater level monitoring system along with Telemetry system(2 Nos.) for 12 Nos of bore well.
- Air pollution control through ESP, pneumatically operated Ash conveying system wherein Ash is conveyed through pipelines, Dust Suppression System, Ash conditioner installed on Ash Silos for conditioning Ash before unloading onto the trucks, Water Sprinkling System on Coal conveyors etc.
- Decanter for secondary sludge dewatering.
- Rainwater harvesting through 20 Nos of recharge wells.
- Dust Suppression Nozzles installed at Coal conveyors for effective control of coal dust.
- Settling pits constructed at Coal yard and fly ash container movement area to eliminate the contamination from surface runoff water.
- Wheel washing system installed to prevent the carryover of dust from within the plant to outside.
- Developed alternate cost effective and better performance polymer for Screw press, which has improved floc formation, settling and drainage.
- Installation of additional hill screen to arrest the total plastic rejects before entering to UASBR system.
- Use of micronutrients in Aeration system (ETP) to increase MLVSS% for better treatment and to get better final treated water quality.

Your Company is also pleased to report that:

- 100% of fly ash generated is being used for fly ash bricks manufacturing.

- Massive green belt development has been undertaken in and around the Company premises.

- A large percentage of water from our Effluent Treatment plant is utilized for agricultural and plantation purposes and discharge to the Sapna Nala is minimized.

The Stringent targets taken to reduce Fresh water consumption by recycling/re-using. Following are some of the initiatives.

- Fresh water consumption reduced by 400m<sup>3</sup>/day by recycling of back water through filters in PM-3.
- Fresh water consumption reduced by 200m<sup>3</sup>/day in PM-2 from the existing level.
- Fresh water consumption reduced by 400m<sup>3</sup>/day in PM-1.
- The Primary sludge from the Effluent Treatment Plant is fired in Power Boilers as co-fuel which contributes towards generating Steam and Power and some portion is being disposed to egg tray manufacturing units based on demand.
- Domestic Solid Waste Management system has been commissioned wherein the Organic Domestic Waste is treated through Vermicomposting and converted into Organic manure, which is used for vegetable farming.

The assets and systems mentioned above have enabled the Company to safeguard the environment and also to meet all statutory norms. As part of measures for long term sustainable growth, your Company continuously provides resources to offer better protection to the environment and conserve natural resources.

### 13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 forms part of this report and is annexed as **Annexure - A**.

### 14. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The company has formulated the policy for development and implementation of Corporate Social Responsibility (CSR) as also required under Section 135 of the Companies Act, 2013 which is available on Company's website at [http://www.emamipaper.in/downloads/epml\\_csr\\_policy.pdf](http://www.emamipaper.in/downloads/epml_csr_policy.pdf).

Further, the information pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies

(Corporate Social Responsibility) Rules, 2014 forms a part of this Report and is annexed as **Annexure - B**.

CSR in Emami Paper is not just about this mandate but also about working towards improving the lives of the communities we touch. Emami Paper has initiated & implemented a number of CSR programs for improving the life of largely under privileged people, for Community living, Education, Health, Skill Development, Rural Development, Environmental Sustainability, Animal Welfare, Women Empowerment, Promotion of Sports, Art & Culture etc. in and around of Mill. Our culture enables us to pursue our mission with a growth mind set. It's a continuous practice of learning and renewal.

## 15. AUDITORS AND AUDITORS REPORT

### a. STATUTORY AUDIT

The Audit Committee and Board of Directors of the Company in their respective meetings held on 25<sup>th</sup> May, 2022 have considered and recommended the appointment of M/s S K Agrawal and Co Chartered Accountants LLP, Chartered Accountants, (Firm Registration No. 306033E/E300272) as the Statutory Auditors of the Company, for a period of five years from the conclusion of 40<sup>th</sup> Annual General Meeting (AGM) of the Company held in year 2022 until the conclusion of the 45<sup>th</sup> Annual General Meeting of the Company to be held in year 2027, subject to approval of the Shareholders of the Company.

The shareholders at the 40<sup>th</sup> Annual General Meeting held on 19<sup>th</sup> August, 2022 have subsequently ratified the appointment of the Statutory Auditors for a period of five years from the conclusion of 40<sup>th</sup> Annual General Meeting (AGM) of the Company held in year 2022 until the conclusion of the 45<sup>th</sup> Annual General Meeting of the Company to be held in year 2027.

The Auditor's Reports on the Financial Statements for the financial year ended March 31, 2023 does not contain any qualification, reservation or adverse remark requiring any explanations / comments by the Board of Directors.

The observations made in the Auditors' Report read together with Key Audit matters and relevant notes thereon are self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Companies Act, 2013.

### b. COST AUDIT

Your Company has maintained accounts and cost records to the extent provisions under Section 148 of the Companies Act, 2013, were applicable. Your Directors have re-appointed M/s. V. K. Jain & Co., Cost Accountants as Cost Auditors of your Company for FY 2023-2024 and are seeking your approval for

payment of remuneration. In this regard, your Directors recommend passing of Ordinary Resolution proposed and included in Notice of forthcoming AGM.

### c. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. MKB & Associates, Company Secretary in practice for the financial year 2022-23 to undertake the Secretarial Audit of the company. The Secretarial Audit Report is annexed herewith as **Annexure - C**.

The observation made in the Secretarial Auditors Report is self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Companies Act, 2013.

During the year under review, none of the auditors have reported any instances of fraud committed against the Company as required to be reported under Section 143 (12) of the Act.

## 16. SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. Your Company has complied with applicable Secretarial Standards i.e. SS-I and SS-II, relating to "Meetings of the Board of Directors "and" General Meetings" respectively.

## 17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the company has not given Inter Corporate Loan to the parties covered under the provisions of Section 186 of the Companies Act, 2013. The loan and advances given to employees are covered under the remuneration policy of the company. The company has not provided any guarantee.

The details of the investments made by the company are given in the notes to the financial statements.

## 18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Your Company has formulated a Policy on Related Party Transactions, which is also available on the Company's website at [http://www.emamipaper.in/downloads/rpt\\_policy\\_2022.pdf](http://www.emamipaper.in/downloads/rpt_policy_2022.pdf)

All related party transactions that were entered into during the financial year were in the ordinary course of the business and on an arm's length basis. No material contracts or arrangements with related parties were entered into during

the year under review. There were no materially significant Related Party Transactions made by the Company during the year that would have required shareholders' approval under the Listing Regulations.

Accordingly, disclosure of Related Party Transaction as required under Section 134(3)(h) of the Companies Act 2013 in form AOC-2 is not applicable.

The Related Party Transactions which are in ordinary course of business and on arms length basis, of repetitive in nature and proposed to be entered during the financial year are placed before the Audit Committee for prior Omnibus approval. All Related Party Transactions are placed before the Audit Committee for review and approval.

Your company did not enter into any related party transactions during the year which could be prejudicial to the interest of the minority shareholders. No loans/ investments to/in the related party have been written off or classified as doubtful during the year under review.

For disclosures of related party relationship and transactions as per Ind AS-24, "Related Party Disclosure", Note 2.44 to the Annual Audited Financial Statements of the Company for the FY ended 31<sup>st</sup> March 2023 may be referred to.

## 19. VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has in place a Vigil Mechanism and Whistle Blower Policy in compliance with the provisions of Section 177(9) of the Act and Regulation 22 of the Listing Regulations. The Policy provides a framework to promote responsible and secured reporting of unethical behavior, actual or suspected fraud, violation of applicable laws and regulations, financial irregularities, abuse of authority, etc. by Directors, employees and the management. The Vigil Mechanism and Whistle Blower Policy is available on the website of the Company at <http://www.emamipaper.in/downloads/revised-vigil-mechanism-policy.pdf>.

The Company endeavors to provide complete protection to the Whistle Blowers against any unfair practices. The Audit Committee oversees the genuine concerns and grievances reported in conformity with this Policy. It is affirmed that no personnel of the Company has been denied access to the Audit Committee and no case was reported under the Policy during the year.

## 20. INTERNAL FINANCIAL CONTROLS

The Corporate Governance Policies guide the conduct of affairs of the Company and clearly delineates the roles, responsibilities and authorities at each level of its governance structure and key functionaries involved in the governance. The Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by management and approved by the Audit Committee and the Board. These Accounting Policies are reviewed and updated from time to time.

Your Company maintains all its records in ERP(SAP)

system and the work flow and approvals are routed through ERP(SAP).

Your Company has appointed Internal Auditors to examine the internal controls and verify whether the workflow of the organization is in accordance with the approved policies of the Company. In every Quarter, while approval of Financial Results, the Internal Auditors present to the Audit Committee, the Internal Audit Report and Management Comments on the Internal Audit observations.

The Board of Directors of the Company have adopted various policies such as Related Party Transactions Policy, Vigil Mechanism and Whistle Blower Policy, Corporate Social Responsibility Policy, Risk Management Policy, Dissemination of materiality of any events/information Policy, Documents preservation policy, Monitoring and Reporting of Trading by Insiders, Code of Internal Procedures and conduct for regulating, monitoring an reporting of trading by Insiders, Code of Practices and Procedures for Fair Disclosures, Policy on Prevention of Fraud and Internal Financial Control Policy and such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding of its assets, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

## 21. RISK MANAGEMENT FRAMEWORK

In compliance with amended Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company have constituted a Risk Management Committee on 1<sup>st</sup> June, 2021. The Company has adopted Risk Management Policy in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

During the year under review, two meetings of the Committee were held i.e. on 25<sup>th</sup> July, 2022 and 28<sup>th</sup> December, 2022 respectively. The Risk Management Policy of the Company for identification and implementation of Risks and its Mitigation plans is reviewed by the Committee periodically. In the opinion of the Board, there is no such risk which may threaten the existence of the Company.

## 22. MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

The prescribed particulars of employees required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Rules') is annexed to this Report as **Annexure - D**. The disclosure under Section 197(14) regarding receipt of commission by Directors of the Company from holding/ subsidiary Company is not applicable.

Further, particulars of employees required pursuant to Section 197 read with Rule 5 (2) and (3) of the above Rules also forms part of this Report. However, in terms of the provisions of Section 136 of the said Act, the Report and Accounts are being sent to all members of the company and other entities thereto, excluding the said particular of employees. Any member interested in obtaining such particulars may

write to the Company Secretary. The said information is also available for the inspection at the Registered Office of the Company during working hours for a period of twenty-one days before the date of the Annual General Meeting.

## 23. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return as on 31<sup>st</sup> March, 2023 is hosted on the Company's website i.e. [www.emamipaper.in](http://www.emamipaper.in)

## 24. CORPORATE GOVERNANCE

Your Company complies with the corporate governance practices as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In compliance with the provisions in Regulation 34 of the SEBI Listing Regulations, a Report on Corporate Governance forms an integral part of this report and annexed as **Annexure - E**.

## 25. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms an integral part of this Report and provides details of the over all industry structure, developments, performance and state of the affairs of the Company along with internal controls and their adequacy, Risk Management Systems and other material developments during the Financial Year.

## 26. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Business Responsibility and Sustainability Report of the Company for the year ended 31<sup>st</sup> March, 2023 forms part of this report and annexed as **Annexure - F**.

## 27. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their information and knowledge, confirms that: -

- In the preparation of annual financial statements, the applicable accounting standards had been followed and there are no material departures;
- Such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual financial statements have been prepared on a going concern basis;
- Proper internal financial controls were in place and such controls are adequate and operating effectively; and
- Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

## 28. OTHER DISCLOSURES

During the year under review:-

- Your Company had cordial relation with the workers and employees at all levels.
- No Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in the future.
- No application was made or any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- Gulmohar unit (Kolkata, West Bengal) of the Company, having production capacity of less than 5% of overall capacity has been permanently closed and subsequently, in April 2023 the company has received factory license cancellation approval from the Directorate of Factories, Govt. of West Bengal.

## 29. ACKNOWLEDGEMENT

The Board acknowledges the understanding and support shown by its lending financial institutions, banks, distributors, customers, suppliers, employees and other business associates. Your Company operated efficiently due to a culture of professionalism, integrity and continuous improvement leading to sustainable and profitable growth.

For and on behalf of the Board of Directors

Place: Kolkata  
Date: 26<sup>th</sup> May, 2023

**Aditya V. Agarwal**  
Executive Chairman  
DIN: 00149717



## Annexure - A to the Board's Report

### Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

#### A. Conservation of energy:

##### i) Following Energy conservation measures have been undertaken:

- In De-Inking plant-3 (DIP-3) old disc filter pump-1 and 2 were replaced with new energy efficient pumps there by achieved a saving of 1270 kwh per day during News Print run.
- PP-3 Boiler Feed water pump speed reduced from 90% to 88% (2720 RPM to 2660 RPM) by optimizing control valve, which helped in achieving a saving of 240 kWh per day.
- In ETP (Effluent treatment plant) old air blower is replaced with new blower resulting a saving of 480 kWh per day.
- TG-2 Cooling Tower blade angle optimized from 16 degrees to 12 degrees to achieve a saving of around 170 kWh per day.
- In PP-2 Boiler 3 nos of Coal, spreader motors (3.7 kw each) are stopped permanently by modifying overfeeding chute arrangement resulting in power saving of 190 kwh per day.
- In DIP-3 old Primary Centri Cleaner pump is replaced with new energy efficient pump resulted in a saving of 288 kwh per day during News Print run.
- In DIP-3 old Secondary Centri Cleaner pump is replaced with new energy efficient pump resulted in a saving of 300 kwh per day during News Print run.

#### B. Technological Absorption:

##### i) Research & Development (R & D):

###### a. Product development:

- Pharma Print 40 gsm developed and stabilized in PM1 & PM2 machines.
- Developed environmental friendly Oil & grease resistant (OGR) Paper in PM1, which is fluorocarbon-free and biodegradable in nature for food packaging.

- Developed Inter Leaving Paper in PM1.
- Solitaire, Writing & Printing grade Paper in PM3 developed and stabilized.
- High bulk paper Solitaire (1.7 cc/gm) & Natural shade novel book paper (2.0 cc/gm) developed in PM-1.
- Paper for branded note books developed in PM-2&3.
- Developed sublimation paper of 40 GSM in PM-2.
- Established usage of native starch in place of imported oxidized starch in PM-1,2&3.
- Ash in Newsprint increased to 11% by introducing ash enhancer in PM-3.
- Ash increased to 22-23% in PM-1&2 solitaire product.
- Introduced Anti-cracking chemical in size press to reduce cracking issues in coated board.

##### ii) Environment Management:

- PC1 overflow water is being used to suppress the foam & proper settling to get clear water overflow with less suspended solids from PC3 clarifier instead of using various settling aid chemicals for performance improvement and cost effective.
- Developed alternate cost effective and better performance polymer for Screw press, which has improved floc formation, settling and drainage.
- Installation of additional hill screen to arrest the total plastic rejects before entering to UASBR system.
- Use of micronutrients in Aeration system (ETP) to increase MLVSS% for better treatment and to get better final treated water quality.
- Fresh water consumption reduced by 400m<sup>3</sup>/day by recycling of back water through filters.

##### iii) Environmental Compliance:

- Treated effluent quality parameters are well within the statutory norms, part of which is being recycled

for process/non-process applications and some percentage is being used for cultivation purpose.

- The results from Real Time Effluent Quality Monitoring System (RTEQMS) are being transmitted to CPCB & SPCB webserver.
- The flue gas emissions and Ambient Air Quality Monitoring (AAQM) test results are within the emission norms prescribed by CPCB & SPCB.
- The online data from Continuous emission monitoring system (CEMS) on stack emissions quality results and CAAQMS (3 Nos.) are being uploaded to CPCB & SPCB webserver.
- 100% Fly ash is being disposed to Brick manufacturing units.
- ETP primary sludge is fired in boiler and some portion is being disposed to egg tray manufacturing units based on demand.

#### b) Benefits derived as a result of the above R & D

##### a. Product development:

- Additional volumes dedicated for Pharma Print.
- OGR paper is environmental friendly with fluorocarbon-free and biodegradable in nature for food packaging
- All other new product developments yielded in higher NCR value as market demand.
- Cost savings by using native starch in place of imported oxidized starch.
- Ash increment in solitaire product helped in cost reduction.

##### b. Environmental Management:

- Foam control in PC-3 is for better performance of existing ETP and to improve quality of final treated effluent.
- Achieved cost benefit with introduction of alternative polymer with improved performance compared to previous polymer.
- Addition of screen installation helped in preventing entry of plastics to UASBR so as to improve performance of UASBR in ETP.

- Introduction of micro-nutrients helped in cost reduction and better performance of ETP.

##### c. Environmental Compliance:

- Complied with all statutory requirements.
- Complied with all directions issued by statutory authorities stipulated under environmental clearances.

##### c) Future action plan

- Continue to develop new products.
- Continue to work on improvement of yield.
- Reduction of fresh water consumption by recycling and reuse of treated process water and treated water from effluent.
- Usage of alternative chemicals for quality optimization and cost saving.
- Continual reduction of power and steam consumption in production processes.

##### d) Expenditure on R & D

- No separate accounting for Research and Development activities was made as the same was a part of process and product development.
- Process improvements have been mentioned for all machines individually under R & D Activities.

#### iv) Efforts made towards technology absorption, adoption and innovation

- Installed high pressure scan shower in PM-3 dryer to remove stickies from screen and thereby improve quality of paper.
- Commissioned new film press in PM-3 to produce surface sized writing & printing paper.
- Hood & ventilation systems were upgraded in PM-3 to optimize power consumption along with new film press.
- Tail cutter was introduced in post dryer section of PM-3 to reduce tail feeding time.
- Thermo compressor was introduced in steam & condensate system to improve drying efficiency in PM-3.

- PM-1 Head Box was changed to improve GSM profile.
- Moving grate screen installed in sump pit to improve Clarifier efficiency.
- To reduce water consumption, avoid mist issues and rusting of machine frame order has been placed for Scan shower for wire part of PM-4.
- Size press and Pope reel PLC upgradation done.
- Upgraded production crane to avoid breakdown and production loss.
- Upgradation of Size press and Pope reel PLC was done in PM-4.

### C. Foreign exchange earnings and outgo:

(₹ in crore)

Particulars	2022-23	2021-22
Foreign exchange earnings	269.23	560.97
Foreign exchange outgo	1,462.47	906.06

## Annexure - B to the Board's Report

### Annual Report on Corporate Social Responsibility (CSR) Activities for FY 2022-23

#### 1. Brief outline on CSR Policy of the Company

The approach towards Corporate Social Responsibility at Emami Paper Mills Limited is aimed at creating an institutional environment to ensure greater socio-economic stability and finding a balance between the interests of all the stakeholders. Emami Paper has been instrumental towards integrating the economic, social and environmental concerns into its values, culture, strategy, decision-making and operations in a transparent and accountable manner thus establishing better practices within the firm, creating wealth and improving the society.

Emami Paper's CSR drives the organization doing business in a responsible, integrated, invisibly linked manner delivering values in the sectors of environment, welfare, corporate governance and community at large. The investment in the CSR intends at enhancing the socio-economic development of the society to have a lasting impact on the lives of people. The CSR team at Emami Paper endeavors at integrating sustainability into strategic thinking and in the process reaping profits by re-engineering of the business and reducing wastes. The team has progressed commendably in creating opportunities at the rural level to gain a social competence.

#### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation   Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Aditya V. Agarwal	Chairman Executive Chairman	1	1
2	Mr. Manish Goenka	Member Whole-time Director	1	0
3	Mrs. Richa Agarwal	Member Non-Executive, Non-Independent Director	1	1
4	Mr. H. M. Marda	Member Independent Director	1	1
5	Mr. Sumit Banerjee	Member Independent Director	1	1
6	Mrs. Mamata Binani	Member Independent Director	1	1
7	Mr. P. S. Patwari*	Member Executive Director	1	1
8	Mr. Vivek Chawla	Member Whole-time Director	1	1

\*w.e.f 1st April, 2023 appointed as Non-executive Director

#### 3. Provide the web-link(s) where composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the company:

Web link of Composition of CSR Committee: [http://www.emamipaper.in/downloads/epml\\_committee\\_2023.pdf](http://www.emamipaper.in/downloads/epml_committee_2023.pdf)

Web link of CSR Policy: [http://www.emamipaper.in/downloads/epml\\_csr\\_policy.pdf](http://www.emamipaper.in/downloads/epml_csr_policy.pdf)

Web link of CSR Projects: Not Applicable as there are no CSR Projects undertaken by the Company at present.

**4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule(3) of rule 8 , if applicable. – Not Applicable**

- 5.** a) Average net profit of the company as per sub-Section (5) of Section 135 - ₹ **4,444.48 Lacs**  
 b) Two percent of average net profit of the Company as per sub-section (5) of Section 135 - ₹ **88.89 Lacs**  
 c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years – **NIL**  
 d) Amount required to be set-off for the financial year, if any. - **NIL**  
 e) Total CSR obligation for the financial year [(b)+(c)-(d)].- ₹ **88.89 Lacs**
- 6.** (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - ₹ **107.05 Lacs**  
 (b) Amount spent in Administrative Overheads - **NIL**  
 (c) Amount spent on Impact Assessment, if applicable. - **Not Applicable**  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. - ₹ **107.05 Lacs**  
 (e) CSR amount spent or unspent for the Financial Year: -

Total Amount Spent for the Financial Year. (in ₹)	Total Amount transferred to Unspent CSR Account as per subsection (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 107.05 Lacs	NIL		NIL		

- (f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	₹ 88.89 Lacs
(ii)	Total amount spent for the Financial Year	₹ 107.05 Lacs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	₹ 18.16 Lacs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	₹ 18.16 Lacs

**7. Details of unspent corporate social responsibility amount for the preceding three financial years:**

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY 2019-20	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	FY 2020-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	FY 2021-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil



**8. Whether any capital assets have been created or acquired through corporate social responsibility amount spent in the financial year:**

☐ Yes ☒ No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
	Not Applicable						

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

**9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per subsection (5) of Section 135. Not Applicable.**

**For the Emami Paper Mills Limited**

**Vivek Chawla**

Whole-time Director & CEO  
DIN:02696336

**Aditya V. Agarwal**

Chairman, CSR Committee  
DIN:00149717

Date: 26th May,2023

## Annexure - C to the Board's Report

### Form No. MR-3

#### Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

**EMAMI PAPER MILLS LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **EMAMI PAPER MILLS LIMITED** (hereinafter called "the Company"). 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.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the 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 and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India, 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, 2023 generally 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, 2023, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- b) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
- c) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- d) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- f) The Securities & Exchange Board of India (Issue and listing of Non-Convertible Securities ) Regulations, 2021
- g) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
- i) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 2018

- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, the following laws/acts are also, *inter alia*, applicable to the Company:

- a) The Environment Protection Act 1986
- b) The Water (Prevention and Control of Pollution) Act, 1974
- c) The Air (Prevention and Control of Pollution) Act 1981
- d) Hazardous Waste (Management, Handling, and Transboundary Movement) Rules 2008, as amended from time to time.
- e) The Indian Boilers Act 1923.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that pursuant to resignation of Mr. Sushil Kumar Khetan, Director (Operations) and Chief Financial Officer w.e.f. closing hours of 31<sup>st</sup> May, 2022, the Company appointed interim Chief Financial Officer from 28<sup>th</sup> November, 2022 i.e. within the statutory time period provided under applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions in the Companies Act, 2013.

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

For **MKB & Associates**  
Company Secretaries  
Firm Reg No: P2010WB042700

Date: 26.05.2023  
Place: Kolkata  
UDIN: A011470E000385437

**Manoj Kumar Banthia**  
Partner  
Membership No. 11470  
COP No. 7596

## Annexure- I to the Secretarial Audit Report

To  
The Members,  
**EMAMI PAPER MILLS LIMITED**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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 processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **MKB & Associates**  
Company Secretaries  
Firm Reg No: P2010WB042700

Date: 26.05.2023  
Place: Kolkata  
UDIN: A011470E000385437

**Manoj Kumar Banthia**  
Partner  
Membership No. 11470  
COP No. 7596

## Annexure - D to the Board's Report

### Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### i) Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2022-23:

Name of the Director(s)/ KMP	Designation	Ratio to median remuneration	Percentage increase in remuneration in the FY 2022-23
Mr. Aditya V Agarwal	Executive Chairman	45:1	10%
Mr. Manish Goenka	Whole-time Director	42:1	10%
Mr. P. S. Patwari*	Executive Director	85:1	-
Mr. Vivek Chawla	Whole-time Director & CEO	156:1	10%
Mr. S K Khetan**	Director (Operations) & CFO	NA	-
Mr. Mukesh Kumar Agarwal***	AVP – Finance (Interim CFO)	NA	10%
Mr. Debendra Banthiya	Company Secretary	NA	12%

\* Appointed as Non-Executive Director w.e.f 1st April, 2023

\*\* Mr. S. K. Khetan, Director ( Operations) & CFO resigned from the closure of business hours on 31st May 2022.

\*\*\* Appointed as Interim CFO w.e.f 28th November,2022

Note: The Non-executive Directors of the Company received no remuneration except sitting fees for attending Board and Committee Meetings. The details whereof are provided in the Corporate Governance Report. The Ratio and Percentage increase in Remuneration for Non-executive Directors are therefore not considered for the above purpose.

#### ii) Percentage increase in the median remuneration of employees in the financial year: 15.82%

#### iii) Number of permanent employees on the rolls of company: 1,111

#### iv) Explanation on:

Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year	Average percentage increase was ~11%.
Percentage increase in the managerial remuneration	Average percentage increase was ~9%.
Justification for increase in the managerial remuneration	Increase in managerial remuneration is a multi-dimensional and multi-determined outcome. It is linked to a) assessment of performance of the individual for his key responsibilities; b) industry standards of remuneration; and c) business performance of the company linked to market conditions & competition.
Exceptional circumstances for increase in the managerial remuneration, if any	NA

#### v) Affirmation that the remuneration is as per the remuneration policy of the company:

The remuneration is as per the remuneration policy of the company.



## Annexure - E to the Board's Report

## Report on Corporate Governance

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

## 1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's philosophy on Corporate Governance refers to a professional system of management leading to the efficient conduct of business. This comprises transparency and accountability with the objective of serving the best interest of all the stakeholders-shareholders, customers, lenders, employees, government and society.

## 2) BOARD OF DIRECTORS

## A) Composition

The Board of Directors ("Board") is composed of eminent individuals from diverse fields. As on 31<sup>st</sup> March 2023, the Board of Directors consisted of 11 (Eleven) Directors out of which 7 (Seven) Directors are Non-executive Directors. The composition of the Board of Directors is in conformity with Regulations 17 & 17A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition, category of the Board of Directors, and other details are given below:

Name of the Director	DIN	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM held on 19 <sup>th</sup> August, 2022	No. of Directorship held in other Public Limited Companies	No. of Membership/ Chairmanship in Committees of other Public Ltd. Companies <sup>#</sup>	
						Chairman	Member
Mr. Aditya V. Agarwal	00149717	Promoter, Executive Chairman	5	Yes	1	-	-
Mr. Manish Goenka	00363093	Promoter, Whole-time Director	4	Yes	-	-	-
Mrs. Richa Agarwal	01505726	Promoter, Non-executive	5	Yes	-	-	-
Mr. S. Balasubramanian	02849971	Independent, Non-executive	5	Yes	4	2	4
Mr. H. M. Marda	00855466	Independent, Non-executive	5	Yes	6	-	2
Mr. J. K. Khetawat	00920819	Independent, Non-executive	5	No	4	-	-
Mr. Amit Kiran Deb	02107792	Independent, Non-executive	5	Yes	7	5	7
Mr. Sumit Banerjee	00213826	Independent, Non-executive	5	Yes	3	-	3
Mrs. Mamta Binani	00462925	Independent, Non-executive	5	No	7	-	4
Mr. P. S. Patwari	00363356	Executive, Non-Independent	5	Yes	1	-	-
Mr. Vivek Chawla	02696336	Executive, Whole-time Director & Chief Executive Officer (CEO)	5	Yes	-	-	-

Note:

- Mrs. Richa Agarwal is the spouse of Mr. Aditya V. Agarwal, Executive Chairman of the Company. None of the other Directors are related to any other Director on the Board.
- Mr. S. K. Khetan, Director ( Operations) & CFO, resigned from the closure of business hours on 31<sup>st</sup> May 2022.
- w.e.f.1<sup>st</sup> April, 2023 Mr. P.S. Patwari has been appointed as Non-Executive Director of the Company.
- <sup>#</sup>Includes only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26(1) of SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015.

## B) Directorships in other listed entities

Name of the Director	Name of other Listed Companies in which concerned Director is a Director	Category of Directorship
Mr. Aditya V. Agarwal	Emami Limited	Non- Executive Director
Mr. Manish Goenka	-	-
Mrs. Richa Agarwal	-	-
Mr. S.Balasubramanian	Sanghi Industries Limited	Independent Director
	TTK Healthcare Limited	Independent Director
	UCAL Fuel Systems Limited	Independent Director
Mr. H. M. Marda	Emami Realty Ltd	Independent Director
Mr. J. K. Khetawat	RTL Logistics Limited	Whole-time Director
Mr. Amit Kiran Deb	Century Plyboards (India) Limited	Independent Director
	Skipper Limited	Independent Director
	India Power Corporation Limited	Independent Director
	Star Cement Limited	Independent Director
	B & A Limited	Independent Director
Mr. Sumit Banerjee	-	-
Mrs. Mamta Binani	GPT Infraprojects Limited	Independent Director
	Emami Limited	Independent Director
	Balrampur Chini Mills Limited	Independent Director
	Ddev Plastiks Industries Limited	Independent Director
	Skipper Limited	Independent Director
Mr. P. S. Patwari	-	-
Mr. Vivek Chawla	-	-

## C) Number of board meetings conducted during the year

During the year under review, five Board Meetings were held i.e. on 25<sup>th</sup> May 2022, 5<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 28<sup>th</sup> November 2022, and 13<sup>th</sup> February 2023 respectively.

## D) Number of shares and convertible instruments held by the non-executive directors as on 31<sup>st</sup> March, 2023.

Name of Directors	Category	No. of Equity Shares held
Mrs. Richa Agarwal	Promoter, Non-executive	1,500

No other Non-executive Director holds any shares in the Company.

## E) Independent Directors

All the Independent Directors have confirmed in their Annual Declaration to the Board that they have complied with all the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 ("Act") and Regulations 16(1) (b) and 25(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

None of the Independent Directors are aware of any circumstances or situations which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influences.

In the opinion of the Board, the Independent Directors of the Company meet the criteria of the independence conditions specified in the Act and SEBI Listing Regulations and they are Independent of the Management. Further, in terms of Section 150 of the Act read with rules framed thereunder, the Independent Directors have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA').

During the year under review, none of the Independent Directors of the Company have resigned from their position.

**F) Separate Meeting of Independent Directors**

The Independent Directors of the Company met separately on 13<sup>th</sup> February, 2023, without the presence of Non-Independent Directors. All the Independent Directors were present at the meeting. Following matters were, *inter alia*, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company after taking into account the views of Executive and Non-executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**G) Familiarisation program for Independent Directors**

The Members of the Board of the Company have been provided opportunities to familiarize themselves with the Company, its Management, and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Executive Directors and Senior Management provide an overview of the operations and familiarize the new Independent Directors on matters related to the Company's value and commitments. They are also introduced to the organizational structure, constitution of various Committees, Board procedures, Risk Management strategies, etc. Strategic Presentations are made to the Board where Directors get an opportunity to interact with Senior Management.

Senior management personnel of the Company makes presentations to the Board Members periodically, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same.

The Statutory Auditors and Internal Auditors of the Company make presentations to the Board of Directors with regard to regulatory changes from time to time.

The details of the Familiarization Programme are available on the website: <http://www.emamipaper.in/downloads/fdirector.pdf>

**H) Skills / Expertise / Competence of the Board Of Directors**

The Board of Directors collectively possesses appropriate skills, experience, and knowledge in one or more fields of finance, law, management, administration, sales and marketing, operations, logistics, corporate governance, community service, and other disciplines as required in the context of the Company's operations.

In line with the Board Diversity Policy, the Company recognizes and embraces the importance of a diverse Board in its success and efficient functioning. On the recommendation and approval of the Nomination and Remuneration Committee, the Board has appointed individual Directors on merit, skills, expertise and competence as mentioned below for each Director of the Board along with their names:

Name of the Director	Key Board Skills/Expertise/Competencies
Mr. Aditya V. Agarwal (Promoter, Executive Chairman)	A well-known Industrialist having rich and varied experience of 25 years in Marketing, Corporate Planning, Business Development, Strategy Formulation, and overall management.
Mr. Manish Goenka (Promoter, Executive Director)	A well-known Industrialist with extensive business experience of 23 years in the areas of Finance, Accounting, Corporate Planning, Business Development, Strategy Formulation, and overall management.
Mrs. Richa Agarwal (Promoter, Non-executive Director)	Extensive experience in the area of Social Welfare, Corporate Social Responsibility (CSR) Initiatives, Women Empowerment and overall Business Management.
Mr. S. Balasubramanian (Independent Director)	He is a former Chairman of the Company Law Board and has rich and varied experience in the field of Corporate Law. He is a well-known personality for his valuable contribution to the Corporate world. He was also a former member of the Indian Postal Service and has senior-level experience in the public sector.

Name of the Director	Key Board Skills/Expertise/Competencies
Mr. H. M. Marda (Independent Director)	A Chartered Accountant and Industrialist with extensive business experience over 3 decades in the areas of Accounting, Corporate Planning, Strategy Formulation, and overall management.
Mr. J. K. Khetawat (Independent Director)	An Industrialist with extensive business experience in the areas of Real Estate Development, Corporate Planning, Logistics, Strategy Formulation and overall management.
Mr. Amit Kiran Deb (Independent Director)	He holds a Master's Degree in Political Science from Allahabad University. He joined the Indian Administrative Service (IAS) in 1971 and was assigned to the West Bengal cadre. Thereafter he served the Governments of West Bengal and Tripura as well as the Union Government in various capacities. He served as Home Secretary and then Chief Secretary to the Government of West Bengal before his retirement.
Mr. Sumit Banerjee (Independent Director)	He is a Mechanical Engineering graduate from IIT, Kharagpur, and has completed his MEP from IIM Ahmedabad. He has been the Vice-Chairman of Reliance Cement, and CEO at Reliance Infrastructure Ltd. He held the position of MD and CEO at ACC Limited. He is a seasoned business leader with a formidable background in manufacturing and infrastructure.
Mrs. Mamta Binani (Independent Director)	She is an Advocate and a Fellow Member of ICSI. She is an Insolvency Professional registered with the Insolvency & Bankruptcy Board of India. She has over 26 years of experience in corporate consultation, corporate governance & advisory.
Mr. P. S. Patwari (Executive Director)	A Chartered Accountant having extensive experience of 43 years in the areas of Finance, Accounting, Corporate Planning, Business Development, Strategy Formulations and overall management.
Mr. Vivek Chawla (Executive Director designated as Whole-time Director & CEO)	An industry veteran with over 36 years of experience across commercial multi-facets of organization's performance ranging from operations to management, sales, and marketing to strategy and governance and logistics. His professional skillset includes results-driven leadership, commercial relationship building, market access, strategic revenue growth, commercial acumen, contract negotiations, team management and performance optimization.

Note: w.e.f. 1<sup>st</sup> April, 2023 Mr. P.S. Patwari has been appointed as Non-Executive Director of the Company.

### 3) COMMITTEES OF THE BOARD

#### A. Audit Committee

The brief terms of reference of the Audit Committee, *inter-alia*, includes:

1. Oversight of the Company's financial reporting process and the disclosure of financial information to ensure the financial statement is correct, sufficient, and credible;
2. Recommendation for appointment, remuneration, and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements, and auditor's report thereon before submission to the board for approval, with particular reference to:
  - i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section(3) of Section 134 of the Companies Act, 2013;
  - ii. changes, if any, in accounting policies and practices and reasons for the same;
  - iii. major accounting entries involving estimates based on the exercise of judgment by the management;
  - iv. significant adjustments made in the financial statements arising out of audit findings;
  - v. compliance with listing and other legal requirements relating to financial statements;
  - vi. disclosure of any related party transactions;
  - vii. modified opinion(s) if any in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of

a public issue or rights issue or preferential issue or qualified institutions placement], and making appropriate recommendations to the board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
8. Approval or any subsequent modification of transactions of the listed entity with Related Parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of international financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing, and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board;
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience, and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. As per Regulation 9(A) (4) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 the Audit Committee shall also review compliance of the provisions of the Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
22. To mandatorily review the following information pursuant to Part C item B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
  - i. Management Discussion and Analysis of financial condition and results of operations;
  - ii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - iii. Internal Audit Reports relating to internal control weaknesses; and
  - iv. The appointment, removal, and terms of remuneration of the Chief internal auditor shall be subject to review by the audit committee.
  - v. Statement of deviations:
    - (a) Quarterly statement of deviation(s) including a report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - (b) Annual Statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).



### Composition, Meeting and Attendance of the Audit Committee

The composition of the Audit Committee is in accordance with the requirement of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

The composition of the Committee and the meeting attended by its members during FY 2022-23 are given below:

Name of the Member	Category	Audit Committee Meetings	
		Held	Attended
Mr. H. M. Marda (Chairman)	Independent Director	5	5
Mr. S. Balasubramanian	Independent Director	5	5
Mr. J. K. Khetawat	Independent Director	5	5
Mr. Amit Kiran Deb	Independent Director	5	5
Mr. Sumit Banerjee	Independent Director	5	5

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee.

During the year under review, five meetings of the Audit Committee were held i.e. on 25<sup>th</sup> May 2022, 5<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 28<sup>th</sup> November 2022, and 13<sup>th</sup> February 2023 respectively.

The Internal Auditors, Chief Executive Officer (CEO), and Chief Financial Officer (CFO) are permanent invitees of the Audit Committee. The Statutory Auditors are also invited to attend the meetings.

In compliance with Regulation 18(1)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. H. M. Marda, Chairman of the Audit Committee, was present at the 40<sup>th</sup> Annual General Meeting of the Company held on 19<sup>th</sup> August 2022.

### B) Nomination & Remuneration Committee

The brief terms of reference of the Nomination & Remuneration Committee (NRC), *inter-alia*, includes:

- 1) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- 2) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- 3) Formulation of the criteria for evaluation of Performance of Independent Directors and Board of Directors;
- 4) Devising a policy on diversity of the Board of Directors;
- 5) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- 6) Recommend to the Board, all remuneration, in whatever form payable to Senior Management.

### Composition, Meeting and Attendance of the NRC

The composition of the NRC is in accordance with the requirement of Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

The composition of the Committee and the meeting attended by its members during FY 2022-23 are given below:

Name of the Member	Category	NRC Meetings	
		Held	Attended
Mr. S. Balasubramanian (Chairman)	Independent Director	2	2
Mr. H. M. Marda	Independent Director	2	2
Mr. J. K. Khetawat	Independent Director	2	2
Mr. Amit Kiran Deb	Independent Director	2	2

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee.

During the year under review, two meetings of the Nomination and Remuneration Committee were held i.e. on 28<sup>th</sup> November 2022 and 13<sup>th</sup> February 2023 respectively.

In compliance with Regulation 19(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. S. Balasubramanian, Chairman of the Nomination & Remuneration Committee, was present at the 40<sup>th</sup> Annual General Meeting of the Company held on 19<sup>th</sup> August 2022.

#### Performance evaluation criteria for independent directors

The criteria for performance evaluation of the Independent Directors, *inter-alia*, includes:

Sl. No.	Evaluation Criteria
I.	a) Knowledge and Competency: How the person fares across different competencies as identified for the effective functioning of the entity and the Board b) Whether the person has sufficient understanding and knowledge of the entity and the sector in which it operates
II.	Fulfillment of Functions: Whether the person understands and fulfills the functions as assigned to him/her by the Board and the law
III.	Ability to function as a team: Whether the person is able to function as an effective team- member
IV.	Initiative: Whether the person actively takes initiative with respect to various areas
V.	Availability and attendance: Whether the person is available for meetings of the Board and attends the meeting regularly and timely, without delay
VI.	Commitment: Whether the person is adequately committed to the Board and the entity
VII.	Contribution: Whether the person contributed effectively to the entity and in the Board meetings
VIII.	Integrity: Whether the person demonstrates the highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)
IX.	Independence: Whether the person is independent of the Company and other directors and there is no conflict of Interest.
X.	Independent views and judgment: Whether the person exercises his/her own judgement and voices opinion freely

#### Policy for selection and appointment of directors and their remuneration

The Nomination and Remuneration Committee has adopted a policy approved by the Board which, *inter-alia*, deals with the manner of selection of Board of Directors other KMPs and SMPs as under:

- The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's operations.
- In evaluating the suitability of individual Board members, the Committee takes into account many factors, including a general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements.
- Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions.
- In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

The Nomination and Remuneration Committee ensures that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The detailed policy is available at the website of the Company at [http://www.emamipaper.in/downloads/epml\\_nrc\\_policy.pdf](http://www.emamipaper.in/downloads/epml_nrc_policy.pdf)

#### Performance evaluation of the board, its committees, and individual directors

In terms of the provisions of Section 134(3)(p) of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board at their meeting held on 26<sup>th</sup> May 2023, had carried out an annual performance evaluation of its own performance, individual Directors including the Chairman, as well as the evaluation of the working of its Board Committees.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Directors being evaluated.

The criteria for evaluation are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

## REMUNERATION OF DIRECTORS

### Remuneration to Non-Executive directors

The Non-executive Directors of the Company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees. The said sitting fees paid to the Non-executive Directors are fixed by the Board and reviewed from time to time.

Details of sitting fees paid to Non-executive and Independent Directors for attending Board / Committee Meetings are as given below:

(in ₹)	
Name of the Director	Total
Mrs. Richa Agarwal	2,20,000
Mr. S. Balasubramanian	3,60,000
Mr. H. M. Marda	5,00,000
Mr. J. K. Khetawat	4,60,000
Mr. Amit Kiran Deb	3,60,000
Mr. Sumit Banerjee	3,40,000
Mrs. Mamta Binani	2,40,000
<b>Total</b>	<b>24,80,000</b>

There was no pecuniary relationship or transactions with the Non-executive and Independent Directors vis-a-vis the Company other than those disclosed herein.

### Remuneration to Executive Directors, Key Managerial Personnel (KMPs) & Senior Managerial Personnel (SMPs)

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Executive Directors, Key Managerial Personnel(s) (KMPs), and Senior Managerial Personnel(s) (SMPs). Their remuneration is governed by the external competitive environment, track record, potential, individual performance, and performance of the company as well as industry standards.

The remuneration determined for Executive Directors are approved by the Nomination and Remuneration Committee, Audit Committee, Board of Directors and shareholders at the General Meeting of the Company. As a policy, the Executive Directors are neither paid sitting fees nor any commission.

The remuneration for other KMPs, SMPs and Unit heads is determined by the Executive Director of the Company based on their performance and other relevant factors.

### Remuneration paid or payable to the Executive Directors for the financial year ended 31st March, 2023 are as given below:

(in ₹)								
Sl. No.	Name of the Director	Salary (Fixed component)	Allowances & Other Benefits*	Bonus	Performance-linked Incentive (PLI)	Total	Service Contract	Notice Period
1.	Mr. Aditya V. Agarwal	1,37,00,000	16,44,000	-	-	1,53,44,000	3 years (w.e.f.1st November,2021)	3 Months
2.	Mr. Manish Goenka	1,28,00,000	15,36,000	-	-	1,43,36,000	3 Years (w.e.f. 1st August, 2020)	3 Months
3.	Mr. P. S. Patwari <sup>#</sup>	2,15,96,400	5,34,48,918	-	-	7,50,45,318	3 Years (w.e.f. 1st April, 2020)	3 Months
4.	Mr. Vivek Chawla	2,17,80,000	2,95,43,388	10,080	24,87,774	5,38,21,242	3 Years (w.e.f. 2nd December, 2020)	3 Months
5.	Mr. S. K. Khetan <sup>\$</sup>	10,96,764	1,00,30,594	6,425	-	1,11,33,783	3 Years (w.e.f.7th November, 2019)	3 Months
<b>Total</b>		<b>7,09,73,164</b>	<b>9,62,02,900</b>	<b>16,505</b>	<b>24,87,774</b>	<b>16,96,80,343</b>		

<sup>#</sup> w.e.f 1st April, 2023, Mr. P.S.Patwari has been appointed as Non-Executive Director of the company

<sup>\$</sup> Resigned from the closure of business hours on 31st May,2022

\*Other Benefits includes Retiral Benefits like LTA, Medical Reimbursement, HRA, Provident Fund, Cost of Accommodation including Rent, Maintenance and Electricity, etc.

#### Note:

- I. Severance Fees - No such fees paid to any of the Directors.
- II. None of the Directors have been issued any Stock Options of the Company.

**C) Stakeholders Relationship Committee:**

The brief terms of reference of the Stakeholders Relationship Committee (SRC), *inter-alia*, includes:-

- i) Resolving the grievances of the security holders of the Company, including complaints related to transfer/ transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- ii) Review of measures taken for the effective exercise of voting rights by shareholders.
- iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / Annual Reports/ statutory notices by the shareholders of the Company.

**Composition, Meeting and Attendance of the SRC**

The composition of the Stakeholders Relationship Committee meets the requirement of Regulation 20 (2)&(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The composition of the Committee and the meeting attended by its members during FY 2022-23 are given below:

Name of the Member	Category	SRC Meetings	
		Held	Attended
Mr. H. M. Marda (Chairman)	Independent Director	1	1
Mr. Manish Goenka	Whole-time Director	1	1
Mr. P.S.Patwari	Executive Director	1	1
Mr. Vivek Chawla	Whole-time Director & CEO	1	1

Note: w.e.f. 1<sup>st</sup> April, 2023 Mr. P.S.Patwari has been appointed as Non-Executive Director of the Company.

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee and the Compliance Officer of the Company.

During the year under review, one meeting of the Stakeholders Relationship Committee was held i.e. on 13<sup>th</sup> February, 2023 which was attended by all the members.

In compliance with Regulation 20(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. H. M. Marda, Chairman of the SRC, was present at the 40<sup>th</sup> AGM to answer the queries of the shareholders.

**Shareholders Complaints received and redressed during the FY 2022-23:**

During the Financial Year 2022-23, no Shareholders' complaint was received. Further, there were no Shareholders' complaints pending either at the beginning of the Financial Year as well as at the end of the Financial Year.

**D) Corporate Social Responsibility (CSR) Committee**

The terms of reference of CSR Committee, *inter-alia*, includes:-

- a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the
- b) Recommend the amount of expenditure to be incurred on CSR activities;
- c) Monitor the CSR Policy of the Company from time to time.

### Composition, Meeting and Attendance of the CSR Committee

The composition of the CSR Committee is in accordance with the requirement of Section 135 of the Companies Act, 2013.

The composition of the Committee and the meeting attended by its members during FY 2022-23 are given below:

Name of the Member	Category	CSR Committee Meetings	
		Held	Attended
Mr. Aditya V. Agarwal (Chairman)	Executive Chairman	1	1
Mr. Manish Goenka	Whole-time Director	1	0
Mrs. Richa Agarwal	Non-Executive Director	1	1
Mr. H. M. Marda	Independent Director	1	1
Mr. Sumit Banerjee	Independent Director	1	1
Mrs. Mamta Binani	Independent Director	1	1
Mr. P.S. Patwari	Executive Director	1	1
Mr. Vivek Chawla	Whole-time Director & CEO	1	1

Note: w.e.f. 1<sup>st</sup> April, 2023 Mr. P.S. Patwari has been appointed as Non-Executive Director of the Company.

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee.

During the year under review, one meeting of the CSR Committee was held i.e. on 25<sup>th</sup> May, 2022 which was attended by all the members except Mr. Manish Goenka.

### E) Finance Committee

The Finance Committee was constituted by the Board in its meeting held on 6<sup>th</sup> May, 2015 to deal with expediting financial decisions including the transactions and dealing with various Banks for long term and short term financial requirements of the Company.

### Composition, Meeting and Attendance of the Finance Committee

The composition of the Committee and the meeting attended by its members during FY 2022-23 are given below:

Name of the Member	Category	Finance Committee Meetings	
		Held	Attended
Mr. H. M. Marda (Chairman)	Independent Director	3	3
Mr. Manish Goenka	Whole-time Director	3	3
Mr. J.K. Khetawat	Independent Director	3	3
Mr. P.S. Patwari	Executive Director	3	3
Mr. Vivek Chawla	Whole-time Director & CEO	3	3

Note: w.e.f. 1<sup>st</sup> April, 2023 Mr. P.S. Patwari has been appointed as Non-Executive Director of the Company.

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee.

During the year under review, three meetings of the Finance Committee was held i.e. on 19<sup>th</sup> September, 2022, 28<sup>th</sup> December, 2022 and 27<sup>th</sup> March, 2023 respectively.

### F) Risk Management Committee

In compliance to the provisions of Regulation 21 of the SEBI Listing Regulations the Board of Directors have constituted a Risk Management Committee at their meeting held on 1<sup>st</sup> June, 2021.

The brief terms of reference of the Risk Management Committee (RMC), *inter-alia*, includes:

- (1) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks) information, cyber security risks or any other risk as may be determined by the Committee.

- (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
- (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

#### Composition, Meeting and Attendance of the RMC

The composition of the Risk Management Committee is in accordance with the Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Committee and the meeting attended by its members during FY 2022-23 are given below:

Name of the Member	Category	RMC Meetings	
		Held	Attended
Mr. H. M. Marda (Chairman)	Independent Director	2	2
Mr. J.K.Khetawat*	Independent Director	2	2
Mr. Vivek Chawla	Whole-time Director & CEO	2	2

\*Appointed as a Member of the Committee by the Board w.e.f 25<sup>th</sup> May, 2022

Mr. Debendra Banthiya, Company Secretary, acts as the Secretary to the Committee.

During the year under review, two meetings of Risk Management Committee were held i.e. on 25<sup>th</sup> July, 2022 and 28<sup>th</sup> December, 2022 respectively.

## 4) GENERAL BODY MEETINGS

### A) Location and time of the last three Annual General Meetings (AGM):

Financial Year	Venue	Date	Time
2019-20 38 <sup>th</sup> AGM	Through Video Conference(VC)/Other Audio Visual Means (OAVM) from Emami Towers, 687, Anandapur, E.M.Bypass, Kolkata-700107	Monday, 21 <sup>st</sup> September, 2020	11.00 a.m.
2020-21 39 <sup>th</sup> AGM		Friday, 27 <sup>th</sup> August, 2021	11.00 a.m.
2021-22 40 <sup>th</sup> AGM		Friday, 19 <sup>th</sup> August, 2022	10.30 a.m.

### B) The following Special Resolutions were passed in the previous three AGMs:

- i) At 38<sup>th</sup> AGM held on 21<sup>st</sup> September, 2020 for the year 2019-20.
  - 1) Approval of re-appointment of Mr. P. S. Patwari (DIN:00363356) as Executive Director, for a period of 3 years w.e.f 1<sup>st</sup> April, 2020 including payment of remuneration for that period.
  - 2) Approval for appointment of Mr. S. K. Khetan (DIN:00358577) as a Whole-time Director, designated as Director (Operations) of the Company for a period of 3 years, w.e.f 7<sup>th</sup> November, 2019 including payment of remuneration for that period.
- 3) Approval for appointment of Mr. Manish Goenka, (DIN:00363093) as a Whole-time Director of the Company for a period from 1<sup>st</sup> August, 2020 to 14<sup>th</sup> July, 2023 including payment of remuneration for that period.
- ii) At 39<sup>th</sup> AGM held on 27<sup>th</sup> August, 2021 for the year 2020-21
  - 1) Approval of re-appointment and remuneration of Mr. Aditya V. Agarwal (DIN: 00149717) as a Whole-time Director, designated as "Executive Chairman", liable to retire by rotation.
  - 2) Approval of appointment and payment of remuneration of Mr. Vivek Chawla (DIN: 02696336) as a Whole-time Director, liable to retire by



rotation, designated as Whole-time Director & Chief Executive Officer (CEO)

- iii) At 40<sup>th</sup> AGM held on 19<sup>th</sup> August, 2022 for the year 2021-22, no special resolution was passed.

#### C) Postal ballot

During the financial year under review, the following Special Resolutions were passed by way of Postal Ballot :-

1. Approve the appointment of Mr. Pitamber Sharan Patwari (DIN: 00363356) as Non-Executive Non-Independent Director of the company w.e.f 1<sup>st</sup> April, 2023
2. Approve the payment of remuneration to Mr. Pitamber Sharan Patwari (DIN: 00363356) as Non-Executive Non-Independent Director of the company w.e.f 1<sup>st</sup> April, 2023

The Board of Directors of the Company appointed Mr. Sandip Kumar Kejriwal, Practicing Company Secretary as the scrutinizer for scrutinizing the Postal Ballot held through remote E-Voting process. The Postal Ballot Notice dated 13<sup>th</sup> February, 2023 along with Explanatory Statement was sent to the Equity Shareholders of the Company on 14<sup>th</sup> March, 2023. The remote E-Voting commenced on 09:00 a.m. (IST) on Friday, 17<sup>th</sup> March, 2023, and ends at 05:00 p.m. (IST) on Saturday, 15<sup>th</sup> April, 2023. Based on Scrutinizers' Report, the results of Postal Ballot were declared on 17<sup>th</sup> April, 2023. The results were intimated to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and was also uploaded on the website of the Company and that of Central Depository Services (India) Limited ("CDSL"), at [www.evotingindia.com](http://www.evotingindia.com) remote e-voting Agency.

The result of the Postal Ballot through remote E-Voting are as follows:

#### Item No. 1-As an Ordinary Resolution:

APPROVE THE APPOINTMENT OF SHRI PITAMBER SHARAN PATWARI (DIN: 00363356) AS NON-EXECUTIVE NON-INDEPENDENT DIRECTOR OF THE COMPANY W.E.F 1ST APRIL, 2023.

Voting through e-voting			
	No. of Members who voted	No. of votes cast	% of the total number of valid votes cast
Voted in favour of the resolution	118	4,87,09,611	94.90
Voted against the resolution	15	26,15,343	5.10
<b>Total</b>	<b>133</b>	<b>5,13,24,954</b>	<b>100.00</b>

#### Item No. 2 -As a Special Resolution:

APPROVE THE PAYMENT OF REMUNERATION TO SHRI PITAMBER SHARAN PATWARI (DIN: 00363356) AS NON-EXECUTIVE NON-INDEPENDENT DIRECTOR OF THE COMPANY W.E.F 1ST APRIL, 2023.

Voting through e-voting			
	No. of Members who voted	No. of votes cast	% of the total number of valid votes cast
Voted in favour of the resolution	116	4,87,09,495	94.90
Voted against the resolution	17	26,15,459	5.10
<b>Total</b>	<b>133</b>	<b>5,13,24,954</b>	<b>100.00</b>

The aforesaid resolutions were passed by the Shareholders by requisite majority through Postal Ballot by remote E-Voting.

- D) No Special Resolution is proposed to be conducted through Postal Ballot at the ensuing AGM.
- E) The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act read with Rules made thereunder and General Circular nos. 14/2020 (8th April, 2020), 17/2020 (13th April, 2020), 02/2021 (13th January, 2021), 21/2021 (14th December, 2021), 02/2022 (5th May, 2022) and 10/2022 (28th December, 2022) respectively issued by MCA from time to time.

## 5) MEANS OF COMMUNICATIONS

### A) Quarterly results:

The quarterly/half-yearly/annual financial results along with audit/limited review report is filed with the Stock Exchanges immediately after the approval of the Board. The results are also published in accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in widely circulated newspapers normally Business Standard (English Daily in All India Editions) and Aajkaal (Bengali Regional Daily), within 48 hours from the conclusion of the meeting.

The Financial Results of the Company are also hosted on the Company's website: [www.emamipaper.in](http://www.emamipaper.in)

### B) The Company regularly intimates to the Stock Exchanges all price sensitive and other relevant information which are material and relevant to the shareholder

### C) Presentations made to institutional investors or to the analysts: No Presentations were made during the FY 2022-23.

## 6) GENERAL SHAREHOLDER INFORMATION

### A) 41<sup>st</sup> Annual General Meeting:

Date: **Tuesday, 12<sup>th</sup> September, 2023**

Time: **11:00 a.m.**

Venue/Mode: **Through Video Conferencing (VC)/Other Audio Visual Means (OAVM)**

### B) Financial year

- Financial Year: April to March
- First Quarter Results: 2<sup>nd</sup> week of August (Tentatively)
- Half Yearly Results: 2<sup>nd</sup> week of November (Tentatively)
- Third Quarter Results: 2<sup>nd</sup> week of February (Tentatively)
- Results for the year ending 31<sup>st</sup> March: by May (Tentatively)

### C) Dividend

Your Director's are pleased to recommend dividend of ₹ 8/- (i.e. 8 %) per preference share of face value of ₹ 100/- each and ₹ 1.60/- (i.e. 80%) per equity share of face value of ₹ 2/- each for the financial year ended 31<sup>st</sup> March, 2023.

The Company has fixed Tuesday, 5<sup>th</sup> September, 2023 as the 'Record Date' for determining entitlement of shareholders to receive dividend for the financial year ended 31<sup>st</sup> March, 2023, subject to the approval of the shareholders at the ensuing AGM.

The dividend if approved by the shareholders at the ensuing AGM will be paid within 30 days from the date of AGM.

### D) Listing of Equity Shares on the Stock Exchange(s):

The Company's equity shares are listed with National Stock Exchange of India Limited (NSE) and on BSE Limited (BSE). The address of the Stock Exchange(s) are as follows:

- National Stock Exchange of India Ltd.,**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E) Mumbai - 400061  
**Stock Code- EMAMIPAP**
- BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400001  
**Stock Code- 533208**

The ISIN Number of Company's equity shares is INE830C01026.

The relevant Listing Fees for the year 2022-23 were duly paid by the Company.

### E) Market Price Data:

The share price movement during the FY 2022-23 at BSE and NSE:

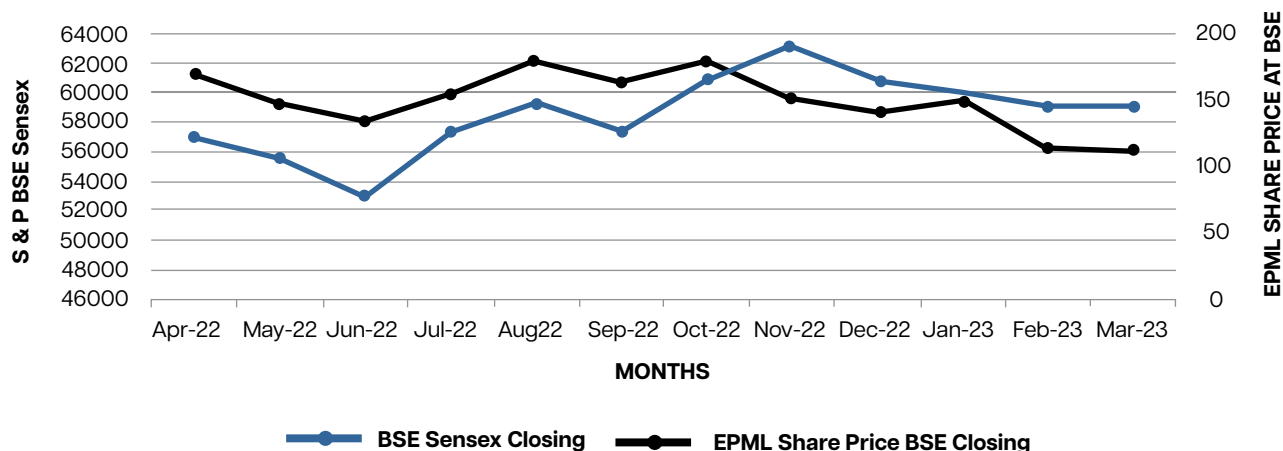
Market Price movement on BSE:

Month	High Price	Low Price
Apr-22	197.50	159.45
May-22	182.70	132.00
Jun-22	154.90	116.75
Jul-22	158.80	136.85
Aug-22	188.00	157.70
Sep-22	195.00	158.30
Oct-22	182.95	161.00
Nov-22	178.65	147.95
Dec-22	183.30	135.90
Jan-23	155.00	138.10
Feb-23	155.00	109.00
Mar-23	125.00	100.85

Market Price movement on NSE:

Month	High Price	Low Price
Apr-22	197.70	158.90
May-22	179.60	140.00
Jun-22	149.90	113.35
Jul-22	158.65	135.35
Aug-22	188.00	156.60
Sep-22	194.80	156.75
Oct-22	181.50	162.00
Nov-22	179.90	148.00
Dec-22	161.60	135.40
Jan-23	155.00	138.20
Feb-23	151.40	110.25
Mar-23	121.95	100.05

#### PERFORMANCE OF SHARE PRICE OF THE COMPANY IN COMPARISON TO THE BSE SENSEX



F) There was no suspension of trading in the securities of the Company during the year under review.

#### G) Registrars & Transfer Agents:

Maheshwari Datamatics Pvt. Ltd. 23, R. N. Mukherjee Road, 5<sup>th</sup> Floor Kolkata - 700001

Phone: 033-2243-5029/2248-2248 Fax: 033-22484787 Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

#### H) Share Transfer System:

The Company's shares are compulsorily traded in the demat segment on the Stock Exchanges, bulk of the transfers take place in electronic form. The share transfers received in physical form are processed through R&T Agent which are generally processed within 15 days of receipt of the documents, if documents are cleared and found to be in order in all respects.

The Board level Stakeholders Relationship Committee examines and redresses investors grievances. The status of investor grievances and share transfers are reported to the Board.

#### I) SHAREHOLDING DETAILS AS ON 31ST MARCH, 2023:

##### i) Shareholding Pattern :

Category	Number of shares held	% of Shareholding
A. Promoters' and Promoters' Group	4,53,58,286	74.97
B. Mutual Funds and UTI	25,98,417	4.30
C. Foreign Portfolio Investors	3,12,378	0.52
D. Bodies Corporate	72,62,282	12.00
E. Resident Individuals, H.U.F	48,03,220	7.94
F. NRI / OCBs	33,702	0.06
G. Other Member	8,623	0.01
H. Others(Investors Education & Protection Fund)	1,22,142	0.20
<b>Total</b>	<b>6,04,99,050</b>	<b>100.00</b>

##### ii) Distribution of Shareholding:

Share Holding	No of Holders	No of Shares	Percentage
Upto 50	7,225	1,30,498	0.2157
51 to 100	2,234	1,94,460	0.3214
101 to 150	695	90,649	0.1498
151 to 250	1,085	2,22,370	0.3676
251 to 500	984	3,82,778	0.6327

Share Holding	No of Holders	No of Shares	Percentage
501 to 5000	894	12,57,099	2.0779
Above 5000	147	5,82,21,196	96.2349
<b>Grand Total</b>	<b>13,264</b>	<b>6,04,99,050</b>	<b>100.0000</b>

**J) Dematerialization of Shares**

99.61 % of the Company's Paid-up Equity Share Capital is held in dematerialised form, out of which 90.91 % are held with National Securities Depository Limited (NSDL) and 8.70 % are held with Central Depository Services (India) Limited (CDSL) as on 31<sup>st</sup> March, 2023.

**K) Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and likely impact on equity.**

The Company has not issued any of the aforesaid instruments.

**L) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

Regularly monitored and reviewed by the Management

**M) Plant Location:**

Vill – Balgopalpur, Balasore - 756 020, Odisha

**N) Address for correspondence:**

Company Secretary  
EMAMI PAPER MILLS LIMITED  
687, Anandapur, 1<sup>st</sup> Floor, E.M. Bypass  
Kolkata-700 107.  
Phone No. : (033) 6613 6264  
Email: [investor.relations@emamipaper.com](mailto:investor.relations@emamipaper.com)  
Website: [www.emamipaper.in](http://www.emamipaper.in)

**O) Credit Rating for Debt Instruments whether in India or abroad.** Not Applicable**7) OTHER DISCLOSURES****i) Related Party Transactions:**

The Company has not entered into any transaction of material nature with the Promoters, Directors or the management or relatives, etc. that may have potential conflict with the interest of the Company.

The Company had adopted a Related Party Transaction Policy which is available on the website of the Company at [http://www.emamipaper.in/downloads/rpt\\_policy\\_2022.pdf](http://www.emamipaper.in/downloads/rpt_policy_2022.pdf)

**ii) Compliances by the Company**

During the financial year 2020-21, the Company had received Notices from both the Stock Exchanges i.e National Stock Exchange of India Ltd (NSE) and BSE Limited (BSE) alleging the Company for Non-compliance of Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations,

2015 relating to appointment of one Independent Woman Director in the Board of Directors of the top 1,000 Listed Companies by 1<sup>st</sup> April, 2020 and proposed fine for the alleged Non-Compliance. The matter was placed before Meetings of the Board of Directors held on 13<sup>th</sup> August, 2020 and 29<sup>th</sup> October, 2020 and as per the direction of the Board, the Company submitted its clarification against the Notices issued by both NSE and BSE with an intimation of appointment of Mrs. Mamta Binani as an Independent Woman Director (Non-executive) in the meeting of the Board of Directors of the Company held on 13<sup>th</sup> August, 2020.

The Company submitted its application for waiver of fine imposed by NSE and BSE, as the Non-compliance caused, *inter-alia*, due to Pandemic COVID-19. The Empowered Committee of NSE took personal hearing on the matter on 11<sup>th</sup> November, 2020. The decision of the relevant Committee of the NSE was unfavorable. Accordingly, Company has paid a fine of ₹ 7,90,600/-, under protest levied by NSE and has applied to NSE for review and the same is still pending. The company is continuously perusing the matter with NSE Authorities and the same is under consideration before them.

BSE vide their email dated 5<sup>th</sup> July, 2021 have accepted the Company's bona-fide request for waiver of fine and approved the waiver.

Except that, there have been no cases of non-compliance by the Company or penalties/strictures imposed on the Company by the Stock Exchanges or SEBI or any other authority on any matter relating to capital markets during the last three years.

**iii) Vigil Mechanism and Whistle Blower Policy:**

Pursuant to Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted Vigil mechanism in the form of whistle blower policy which is available at the website of the Company at <http://www.emamipaper.in/downloads/revised-vigil-mechanism-policy.pdf>

The Objectives and Scope of the Policy are as follows:

The Policy has been formulated to enable all employees of the Company to raise concern against any malpractice such as immoral, unethical conduct, fraud, corruption, potential infractions of the Code of Conduct of the Company, breaches of copyright or patent and alike. The Policy also outlines the reporting procedure and investigation mechanism to be followed in case an employee blows the whistle for any wrong-doing in the Company.

Employees are given protection in two important areas - confidentiality and against retaliation. It is ensured that employees can raise concerns regarding any violation or potential violation easily and free of any fear of retaliation, provided they have raised the concern in good faith.

An Internal Auditor has been appointed to receive the complaints through email or letters who would investigate the complaints.

The Vigil Mechanism shall provide for adequate safeguards against victimization of Director(s) or employee(s) or any other person who avails the mechanism and also provide for direct access to the Chairperson of the Audit Committee inappropriate of exceptional cases.

Also, the employees and any other person can reach the Chairman of the Audit Committee.

The final decision would be taken by the Chairman of the Audit Committee in consultation with the Management.

This Policy would help to draw the Company's attention to unethical, inappropriate or incompetent conduct which has or may have detrimental effects either for the organization or for those affected by its functions.

We hereby affirm that no personnel has been denied access to the Audit Committee of the Company.

**iv) Dividend Distribution Policy:**

The policy is and also available on the website of the Company at weblink [http://www.emamipaper.in/downloads/dividend\\_policy.pdf](http://www.emamipaper.in/downloads/dividend_policy.pdf)

**v) Policy for determining 'material' subsidiaries of the Company:**

The Company does not have any subsidiary Company.

**vi) Commodity Price Risk and Commodity hedging activities:** Regularly Monitored.

**vii) Details of Utilization of funds raised through Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32(7A):**

The Company has not raised any funds through Preferential Allotment or Qualified Institutional Placement during the Financial Year ended 31<sup>st</sup> March, 2023.

**viii) Certificate from Company Secretary in Practice:**

A certificate from a Company Secretary in Practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI or Ministry

of Corporate Affairs or any such statutory authority is annexed hereto.

**ix) Non-Acceptance of the Recommendation of any Committee of the Board:**

There has been no such instance where the Board has not accepted the recommendation of the Committees of the Board during the year under review.

**x) Fees paid to the Statutory Auditors (excluding Taxes):**

Given below are the details of fees paid to Statutory Auditors of the Company on a consolidated basis during the Financial Year ended 31<sup>st</sup> March, 2023:

**A. M/s Agrawal Subodh & Co.,Chartered Accountants**

Sl. No.	Particulars of Fees	Fees paid in ₹
1.	Fees for Limited Review for Q1 of FY 2022-23	90,000/-
2.	Certification Fees	30,000/-
3.	Out of Pocket Expenses	7,270/-
<b>Total</b>		<b>1,27,270/-</b>

**B. M/s. S K Agrawal and Co. Chartered Accountants LLP,Chartered Accountants**

Sl. No.	Particulars of Fees	Amount in ₹ 2022-23
1.	Statutory Audit Fees	18,00,000/-
2.	Fees for Limited Review from Q2 of FY 2022-23	1,80,000/-
3.	Tax Audit Fees	3,09,750/-
4.	Miscellaneous Fees	11,000/-
<b>Total:</b>		<b>23,00,750/-</b>

**xi) Disclosure in Relation to the Sexual Harassment of Women At Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of complaints are given under:-

Sl. No.	Particulars	No. of Complaints
1	Complaints filed during the Financial Year	-
2	Complaints disposed off during the Financial Year	-
3	Complainants pending as on the end of the Financial Year	-

- xii) The Company has complied with the requirements of Schedule V Corporate Governance Report sub paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**xiv) Disclosure of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:**

Regulation	Particulars of Regulation	Compliance Status
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to a subsidiary of the listed entity	NA
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to employees including senior management, key managerial personnel, directors and promoters.	Yes
27	Other Corporate Governance requirements as specified in Part E of Schedule- II of Regulation 27(1) & 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Yes
46	Website	Yes

**xv) Subsidiary**

The Company does not have any subsidiary Company.

**xvi) Code of Conduct**

As per the requirement of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board has revised the existing policy for Code of Conduct of the Company which was approved by the Board of Directors in its meeting held on 5<sup>th</sup> February, 2019.

As per the provision of Regulation 34(3) read with Clause D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a Compliance Certificate is also annexed to this Report signed by the Whole-time Director & CEO, certifying that all Members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the current year.

**xiii) Details of compliance with mandatory requirements and adoption of Discretionary Requirements:**

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. With regard to discretionary requirements, the Company has adopted clauses relating to the following:

- Board: The Company has an Executive Chairperson.
- Reporting of Internal Auditor: The Internal Auditors report directly to the Audit Committee of the Company.
- The Chairman and the CEO of the Company are not related as per the definition of term 'relative' defined under Companies Act, 2013.

**xvii) Code of Conduct for Prevention of Insider Trading**

As required by the provision of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Emami Paper Mills Limited - Code of Conduct to Regulate, Monitor, and Report Trading by Insiders. The Company Secretary acts as the Compliance Officer. The Code of Conduct is applicable to all the Directors and Designated Persons of the Company who are expected to have access to Unpublished Price Sensitive Information relating to the Company.

Web link of Code of Conduct at the website of the Company at <http://www.emamipaper.in/downloads/revised-code-of-conduct-sebi-lodr.pdf>

**xviii) CEO/CFO Certification**

The CEO and CFO certification as required under Regulation 17(8) read with Schedule-II, Part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.



**xix) Disclosure with respect to the unclaimed dividends**

The unclaimed dividend for the year prior to and including the financial year, 2014-15 have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Shareholders who have not encashed their dividend warrants to the financial year(s) up to and including 2014-15 may claim such dividend from the IEPF Authority by applying in the prescribed Form No. IEPF-5. This Form may be downloaded from the website of the IEPF Authority.

The dividend for the year 2015-16, if remaining unclaimed for 7 years, will be statutorily transferred by the Company to Investor Education and Protection Fund (IEPF).

Attention is drawn that the unclaimed dividend for the financial year 2015-16 is due for transfer to IEPF on 16<sup>th</sup> September, 2023. Once the unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof on the Company. Details of Unclaimed Dividend is available on the Company's website at [www.emamipaper.in](http://www.emamipaper.in).

**xx) Transfer of unclaimed shares to the Investor Protection Fund (IEPF) account as per Section 124(6) of Companies Act, 2013:**

The Ministry of Corporate Affairs vide its Circular No: G.S.R. 854(E) dated 5<sup>th</sup> September, 2016, notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016, subsequently modified on 28<sup>th</sup> February, 2017.

In terms of the provisions of Section 124(6) of the Companies Act, 2013 read with IEPF Rules, in addition to the Unpaid or Unclaimed Dividend required to be transferred by the Company to the Investor Education and Protection Fund Authority, Equity shares relating to such unclaimed/unpaid Dividend and lying unpaid or unclaimed for 7 consecutive years or more were also required to be transferred to the Investor Education and Protection Fund Suspense Account (IEPF SUSPENSE ACCOUNT).

1,22,142 equity shares of the Company are lying in the IEPF Account of Central Government maintained with National Securities Depository Limited (NSDL) as on 31<sup>st</sup> March, 2023.

As on 31<sup>st</sup> March, 2023, the total amount of Unclaimed/ Unpaid Dividend transferred to the IEPF suspense Account had a balance of ₹ 7,63,563.30

Each of the shareholders was sent personal Notices at their latest Address on behalf of the Company regarding the transfer of their shares and also mentioned as to how to claim those shares and unclaimed dividend amount. A Public Notice was also published in an English and Bengali Newspaper and the same was uploaded on the Website of the Company along with the details of those shareholders.

In terms of Rule 6(3) of the Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016, the Statement containing the details of Name, Folio No. and Number of Shares transferred to IEPF Suspense Account is made available in our website [www.emamipaper.in](http://www.emamipaper.in).

**xxi) Disclosures with respect to demat suspense account/ unclaimed suspense account:**

Not Applicable as the Company did not have any unclaimed shares in physical form pursuant to a public or any other issue.

**xxii) Policy for preservation of records/ documents of the company:**

The Company has adopted the Policy for Preservation of Records/Documents of the Company and was approved by the Board of Directors in their meeting held on 29<sup>th</sup> November, 2015.

The purpose of this Policy is to provide guidance to the executives working in the Company regarding the preservation of the documents in accordance with the provisions of the Companies Act, 2013 and as mandated by the provisions of Regulation 9 of Chapter III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policy is available at the website of the Company i.e. <http://www.emamipaper.in/downloads/policyrecords.pdf>

**xxiii) Code for prevention of insider- trading practices and fair disclosures:**

As per SEBI (Prohibition of Insider Trading) Regulations 2015, the Company Secretary is the Compliance Officer and is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of price-sensitive information, preclearance of trade, monitoring of trades and implementation of the Code of Conduct for trading in Company's securities under the overall supervision of the Board.

Further, the Audit Committee and the Board of Directors at their respective meetings held on 5<sup>th</sup> February, 2019 have reviewed and approved the Revised Code including the Policy for Prevention of Insider Trading in securities of the Company as well as Code for Corporate Fair Disclosure Practices, considering certain amendments issued by SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/59 dated 31<sup>st</sup> December, 2018.

This Revised Code for Prevention of Insider Trading in Securities of the Company as well as Code for Corporate Fair Disclosure Practices are applicable to all the Directors/ Officers, Insiders, Designated Persons of the Company and is in effect from 1<sup>st</sup> April, 2019 onwards.

As per Regulation 9(A)(4) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Audit Committee shall review the Compliances of Provisions of the Regulations at least once in a financial year and shall verify that the system for internal control is adequate and are operating effectively.

The Code of Corporate Fair Disclosures Practices is also displayed on the Website of the Company at <http://www.emamipaper.in>.

**xxiv) Policy for determination of materiality of any events/information:**

The Company has adopted the Policy for Determination of Materiality of any Events/Information of the Company and was approved by the Board of Directors in their meeting held on 29<sup>th</sup> November, 2015.

The purpose of this Policy is to determine the materiality of events and information based on criteria specified under Clause (i) of Sub Regulation (4) of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and to disclose of events/information to the Stock Exchanges.

The policy is available at the website of the Company i.e. <http://www.emamipaper.in/downloads/policyinformation.pdf>

**xxv) Policy for archiving of documents which are hosted on the website of the company:**

The Company has adopted the Policy for Archiving of Documents which are hosted on the website of the

Company and was approved by the Board of Directors in their meeting held on 29<sup>th</sup> November, 2015.

This Policy is framed for the purpose of archiving of the documents which are hosted in the Company's Website in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Policy is available at the website of the Company i.e. <http://www.emamipaper.in/downloads/policywebsite.pdf>

**xxvi)** The Company has not given any loans and advances in the nature of Loans to Firms/companies in which Directors are interested.

**xxvii)** In compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Company has taken a Directors & Officers Liability Insurance (D&O) Policy on behalf of all Directors including Independent Directors and Officers of the Company for such quantum and for such risks as determined by the Board of Directors.

**For and on behalf of the Board of Directors**

Place: Kolkata  
Date: 26<sup>th</sup> May, 2023

**Aditya V. Agarwal**  
Executive Chairman  
DIN: 00149717

## COMPLIANCE CERTIFICATE

**[Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

We, Vivek Chawla, Whole-time Director & CEO and Mukesh Kumar Agarwal, Assistant Vice President-Finance (Interim CFO) certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2023 and to the best of our knowledge and information:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. We also certify that based on our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee :
- 1) That there are no significant changes in the internal control over financial reporting during the year;
  - 2) There are no significant changes in the Accounting Policies during the year and financial statements; and
  - 3) There are no instances of significant fraud of which we have become aware.

**For Emami Paper Mills Limited**

**For Emami Paper Mills Limited**

Date: 26th May, 2023  
Place: Kolkata

**Vivek Chawla**  
Whole-time Director & CEO

**Mukesh Kumar Agarwal**  
AVP - Finance ( Interim CFO)

## COMPLIANCE WITH CODE OF CONDUCT

**[Regulation 34(3) read with Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

This is to declare that as of 31st March, 2023 all the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as laid down in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For Emami Paper Mills Limited**

Date: 26th May, 2023  
Place: Kolkata

**Vivek Chawla**  
Whole-time Director & CEO

## Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,

**Emami Paper Mills Limited**

687, Anandapur, 1<sup>st</sup> Floor,

E M Bypass

Kolkata - 700107

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Emami Paper Mills Limited (CIN: L21019WB1981PLC034161) having its Registered office at 687, Anandapur, 1<sup>st</sup> Floor, E M Bypass, Kolkata - 700107(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN)] status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31<sup>st</sup> March 2023:

Sl. No.	DIN	Name	Designation	Date of appointment
1	00149717	Aditya Vardhan Agarwal	Executive Chairman	23/10/2000
2	00363093	Manish Goenka	Whole-time Director	01/02/2000
3	01505726	Richa Agarwal	Non-Executive & Non-Independent Director	27/01/2015
4	00855466	Hari Mohan Marda	Independent Director	27/01/2009
5	02849971	Sundaram Balasubramanian	Independent Director	05/05/2010
6	00920819	Jugal Kishore Khetawat	Independent Director	11/08/2011
7	02107792	Amit Kiran Deb	Independent Director	20/01/2022
8	00213826	Sumit Banerjee	Independent Director	20/01/2022
9	00462925	Mamta Binani	Independent Director	13/08/2020
10	00363356	Pitamber Sharan Patwari	Executive Director	28/11/1994
11	02696336	Vivek Chawla	Whole-time Director& CEO	02/12/2020

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended on 31<sup>st</sup> March 2023 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.

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.

For **MKB & Associates**

Company Secretaries

Firm Reg No: P2010WB042700

**Manoj Kumar Banthia**

Partner

Membership no. 11470

COP no. 7596

Date: 26.05.2023

Place: Kolkata

UDIN: A011470E000385470

# Certificate on Corporate Governance

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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

1. The Corporate Governance Report prepared by Emami Paper Mills Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2023, and the said Report will be submitted by the Company to the Stock Exchanges as part of the Annual Report.

## Management's Responsibility

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

## Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates

for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
  - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Register of Directors as on March 31, 2023 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
  - iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 01, 2022 to March 31, 2023:
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Annual General Meeting (AGM);
    - (d) Nomination and Remuneration Committee;
    - (e) Stakeholders Relationship Committee;
    - (f) Risk Management Committee
  - v. Obtained necessary declarations from the directors of the Company.

- vi. Obtained and read the policy adopted by the Company for related party transactions.
  - vii. Obtained the schedule of related party transactions during the year and balances at the year-end.
  - viii. Obtained and read the minutes of the audit committee meeting wherein such related party transactions have been pre-approved by the audit committee.
  - ix. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

## Opinion

- 9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 4 above. Other matters and Restriction on Use
- 10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- 11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountant  
Firm Reg. No.: 306033E/E300272

**Sandeep Agrawal**

Partner

Membership No: 058553

UDIN- 23058553BGYOH1662

Place- Kolkata

Dated- 26th May 2023



## Annexure - F to the Board's Report

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L21019WB1981PLC034161
2.	Name of the Listed Entity	EMAMI PAPER MILLS LIMITED
3.	Year of incorporation	1981
4.	Registered office address	687, Anandapur, 1st Floor, E M Bypass, Kolkata - 700107
5.	Corporate address	687, Anandapur, 1st Floor, E M Bypass, Kolkata - 700107
6.	E-mail id	investor.relations@emamipaper.com
7.	Telephone	+91 33 6613 6264
8.	Website	www.emamipaper.in
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	1. The National Stock Exchange of India Limited (NSE) 2. BSE Limited (BSE)
11.	Paid-up Capital	• Equity share capital – ₹ 12.10 Crores • Optionally Convertible Redeemable Preference Shares – ₹ 243.52 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Vivek Chawla Whole-time Director & CEO Contact number : +91 33 6613 6264 Email : investor.relations@emamipaper.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis

### II. Products/services

#### 14. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1.	Manufacturing of paper and paperboard including newsprint	Paper and Paper Products	100%

#### 15. Products/Services sold by the entity (accounting for 90% of the entity's turnover)

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Paper and Paperboard including Newsprint	1701	100%

### III. Operations

#### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	4	5
International	-	-	-

**17. Markets served by the entity****a. Number of locations**

Location	Number
National (No. of States)	26
International (No. of Countries)	23

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

11.70%

**c. Types of customers**

The Company specialises in the production of newsprint, writing and printing paper, as well as Multilayer Coated Packaging Board. We serves Business-to-Business (B2B) customers. Our customer base consists of front-line printers/converters, renowned brands, end-use customers, Indian media houses, as well as retail and institutional consumers.

**IV. Employees****18. Details as at the end of Financial Year, i.e. March 31, 2023:****a. Employees and workers (including differently abled):**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	690	674	97.68%	16	2.32%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D+E)	690	674	97.68%	16	2.32%
WORKERS						
4.	Permanent (F)	421	421	100%	-	-
5.	Other than Permanent (G)	1,838	1,838	100%	-	-
6.	Total workers (F+G)	2,259	2,259	100%	-	-

**b. Differently abled Employees and workers:**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D+E)	-	-	-	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F+G)	-	-	-	-	-

**19. Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	11	2	18%
Key Management Personnel (including Whole-time Director)	6	-	-

## 20. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

	FY 2023			FY2022			FY2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	6%	10%	14%	8%	14%	6%	-	6%
Permanent Workers	-	-	-	-	-	-	-	-	-

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 21. Name of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
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The Company does not have any Subsidiary or Joint Venture or Associate Companies

## VI. CSR Details

### 22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

(ii) Turnover (in Rs.) ₹ 2,308,12,16,217.71

(iii) Net worth (in Rs.) ₹ 698,71,55,773.79

## VII. Transparency and Disclosure Compliances

### 23. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY 2023			FY2022		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes, the Company has a structured process to understand and address the concern of the communities. The CSR team interacts with the Community leaders to understand their concerns.	NIL	NIL	NA	NIL	NIL	NA

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY 2023			FY2022		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders) Shareholders	Yes, The Company has engaged the services of a Registrar & Share Transfer Agent (RTA), who is registered with the SEBI as a Share Transfer Agent. The RTA has effective systems and processes in place to guarantee timely resolution of any investor grievances. Link : <a href="http://www.emamipaper.in/registrar-share-transfer-agent.html">http://www.emamipaper.in/registrar-share-transfer-agent.html</a>	NIL	NIL	NA	NIL	NIL	NA
Employees and workers	Yes, the company has Vigil Mechanism and Whistle Blower Policy Link: <a href="http://www.emamipaper.in/downloads/epml_vigil_mechanism_policy.pdf">http://www.emamipaper.in/downloads/epml_vigil_mechanism_policy.pdf</a>	NIL	NIL	NA	NIL	NIL	NIL
Customers/ Value Chain Partners	Yes, there is a structured process to continuously gather feedback and address the concerns of the customers. The same is covered in contracts/agreements entered with dealers/ Agents of the Company. A dedicated team is in place to understand and resolve any product related query/grievance. Link: <a href="http://www.emamipaper.in">www.emamipaper.in</a>	359	NIL	All complaints have been resolved for the FY 2022-23	264	NIL	All complaints have been resolved for the FY 2021-22

#### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

Sr. no.	Material issues identified	Indicate whether risk or opportunity(R/O)	Rationale for identifying risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
	Please refer , "Management Discussion and Analysis" section and "Environment Management" section of the Board's Report for the financial year ended 31st March,2023,which forms part of the Company's Annual Report.				

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

<p>Businesses should conduct and govern themselves with ethics, transparency and accountability</p> <p><b>P1</b></p>	<p>Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle</p> <p><b>P2</b></p>	<p>Businesses should promote the well-being of all employees</p> <p><b>P3</b></p>
<p>Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised</p> <p><b>P4</b></p>	<p>Businesses should respect and promote human rights</p> <p><b>P5</b></p>	<p>Businesses should respect, protect and make efforts to restore the environment</p> <p><b>P6</b></p>
<p>Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner</p> <p><b>P7</b></p>	<p>Businesses should support inclusive growth and equitable development</p> <p><b>P8</b></p>	<p>Businesses should engage with and provide value to their customers and consumers in a responsible manner</p> <p><b>P9</b></p>

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1.	a. Whether the Entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		All the statutory policies are approved by the of Directors upon the recommendation of the Board Committees (as applicable). All other policies are approved by the Whole-time Director & CEO								
	c. Weblink of Policies , if available	<a href="http://www.emamipaper.in/corp_governance.html">http://www.emamipaper.in/corp_governance.html</a>								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the entity and mapped to each principle.	ISO 45001:2018 - Occupational Health & Safety Management System ISO 14001:2015 - Environment Management System ISO 9001:2015 - Quality Management System								

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	At Emami Paper Mills Limited, we prioritises investments in Environment, Social and Governance (ESG) strengthening holistic business growth, quality, sustainability and respect. The details are given under each of the principles. The long term sustainability goals and targets have been identified and the action plan for achieving the same is reviewed periodically by the Senior Management Team. Please also refer, "Environment Management" Section of the Board's Report for the Financial year ended 31st March, 2023, which forms part of the Company's Annual Report.								
6.	Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.									

**Governance, leadership and oversight**

7.	Statement by Director, responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At Emami Paper Mills Ltd., we progressively manufactures paper and paperboard using responsible alternatives, having made significant investments in low-carbon technologies. These investments have resulted in improved resource and energy efficiency. The Company has outlined risk mitigation policies that align with its long-term vision while promoting enhanced sustainability-driven prosperity. Moreover, the Company prioritizes reducing its environmental footprint, preserving the planet, and practicing moderated resource consumption. This commitment is demonstrated through proactive investments in modern technologies, practices, methodologies, and standards .								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).									
9.	Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.									

**10. Details of review of NGRBCs by the Company:**

Subject for review	Indicate whether review was undertaken taken by Director/Committee of the Board/ any other Committee									Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	All the statutory policies are reviewed periodically or a need basis by the concern Committees of the Board of Directors and recommended to the Board for its approval. All other policies are reviewed periodically or on a need basis by the senior management team and recommended to the Whole-time Director & CEO for approval. The Company complies with the regulations and principles as are applicable.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																		

11.		P1	P2	P3	P4	P5	P6	P7	P8	P9
	Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	The Policies/Codes and its implementation are regularly evaluated/assessed by the independent internal and statutory Auditors of the Company.								



**12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principle material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### Essential Indicators

**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	<p>During the year, the Board of Directors &amp; KMP's of the Company dedicated significant time to staying informed and updated on various matters related to the business, regulations, environmental issues, social responsibility, and governance matters. These topics provided valuable insights that align with the Principles and Core Elements. The updates and discussions conducted by the Board of Directors &amp; KMP's encompassed:</p> <p><b>1. Business Updates:</b></p> <ul style="list-style-type: none"> <li>- Reviewing and analysing the company's financial performance, strategic initiatives, and market trends.</li> <li>- Assessing the impact of industry developments and technological advancements on the company's operations and competitiveness.</li> </ul> <p><b>2. Regulatory Compliance:</b></p> <ul style="list-style-type: none"> <li>- Monitoring changes in regulations and laws relevant to the company's industry.</li> <li>- Ensuring the company's activities and practices align with legal requirements and regulatory frameworks.</li> </ul> <p><b>3. Environmental Considerations:</b></p> <ul style="list-style-type: none"> <li>- Examining the company's environmental footprint and identifying opportunities for reducing environmental impact.</li> <li>- Reviewing sustainability practices, such as resource conservation, waste management, and energy efficiency.</li> </ul> <p><b>4. Social Responsibility:</b></p> <ul style="list-style-type: none"> <li>- Discussing initiatives related to corporate social responsibility, community engagement, and philanthropic endeavours.</li> <li>- Evaluating the company's social impact and exploring ways to contribute positively to society.</li> </ul> <p><b>5. Governance Matters:</b></p> <ul style="list-style-type: none"> <li>- Assessing the effectiveness of corporate governance practices and procedures.</li> <li>- Discussing board composition, independence, transparency, and accountability.</li> </ul> <p>Through these discussions and updates, the Board of Directors aimed to enhance their understanding of the Principles and Core Elements, integrate them into the company's decision-making processes, and ensure alignment with social, environmental, and ethical responsibilities. The insights gained from these discussions and updates informed the Board's strategic direction, policies, and initiatives, further reinforcing the company's commitment to being socially, environmentally, and ethically responsible.</p>		

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Employees other than Board of Directors and KMPs	182	Safety, Behavioural & Functional	88%
Workers	139	Safety, Behavioural & Functional	91.50%

**2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:**

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR) Brief of the Case Has an appeal	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL				
Settlement					
Compounding fee					

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL			
Punishment				

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Not Applicable	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has robust policies in place to deal with issues associated with ethics, bribery, and corruption. The company has implemented Vigil Mechanism and Whistleblower policy to effectively address these issues. The policy can be accessed on the company's website at [http://www.emamipaper.in/downloads/epml\\_vigil\\_mechanism\\_policy.pdf](http://www.emamipaper.in/downloads/epml_vigil_mechanism_policy.pdf)

The Company has a "Code of Conduct" on its website, the web link of which is <http://www.emamipaper.in/downloads/revised-code-of-conduct-sebi-lodr.pdf>

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Particulars	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

## 6. Details of complaints with regard to conflict of interest

Particulars	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

## 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.

Not Applicable

## Principle 2: Business should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

## 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

	FY2022-23	FY2021-22	Details of improvements in environmental and social impacts
R&D	1.77%	0.36%	Efficient equipment for testing and quality control improve environmental and social impact of products and processes.
Capex	57.67%	0.44%	Technological advancement in Product process, water management and waste management improve environmental and social impact of products and processes.

## 2 a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

### b. If yes, what percentage of inputs were sourced sustainably?

Yes, the Company sources its major raw material from waste paper, which is environmentally friendly, thereby promoting sustainability. The procedures are in place for sustainable sourcing. The company utilizes FSC-certified imported wood pulp to ensure the replenishment of forests and greenery that may have been depleted due to the use of pulp wood.

Abundant coal resources are available to the company from talcher and other collieries of MCL located nearby, enabling a sustainable fuel supply at low transportation costs. The company also actively encourages the local sourcing of inputs, depending on the availability of required quality inputs and places importance on selecting suppliers who demonstrate a conscientious commitment to sustainable sourcing of resources.

## 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company has defined procedure for waste management at plant site. The Company believes that waste created in operations is a potential resources for various other activities. Hence, it has strategically shifted its focus towards harnessing this potential resource to the best use within the operations by optimizing existing processes. This has furthered the commitment towards reducing environmental impact of business activities via waste minimization and re-use.

All the ETP sludge is utilised as fuel with coal in the power boiler. All fly ash generated from the boiler is supplied to brick manufacturing plants. Plastic reject is provided to authorised cement plants for co-processing in lime kilns.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

1. Yes, EPR registration for Plastic Packaging(PP) is applicable to us under "Importer" category i.e imports plastic packaging Product or products with plastic packaging or carry bags or multi-layered packaging or plastic sheet. Submitted application for EPR registration for PP on 04.05.2023. Awaiting for approval of the same and EPR certificate by CPCB. EPR registration for E-Waste(Electric & Electronic) is not applicable.
2. The plastic waste and E-Waste generation, collection and disposal practices of the mill are in line with Pollution Control Board directions issued vide CTO order dated 28.03.2023 and in compliance with Plastic Waste Management Rules, 2016 & E-Waste Management Rules, 2016.
  - Plastic waste is being disposed to authorized cement plants for incineration.
  - E-Waste is being channelized/disposed for recycling through CPCB/SPCB authorized agencies.

**Principle 3: Business should respect and promote the well-being of all employees, including those in their value chains**

**Essential indicators:**

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	674	674	100%	674	100%	NA	NA	-	-	-	-
Female	16	16	100%	16	100%	16	100%	NA	NA	16	100%
Total	690	690	100%	690	100%	16	100%	-	-	16	2%
Other than Permanent employees											
Male	NIL										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	421	421	100%	421	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	421	421	100%	421	100%	-	-	-	-	-	-
Other than Permanent Workers.											
Male	1,838	1,838	100%	1,838	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	1,838	1,838	100%	1,838	100%	-	-	-	-	-	-

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	NA	100%	100%	NA
ESI	100%	100%	Y	100%	100%	Y
Others-Please Specify	NA			NA		

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes.

4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	-	100%	-	100%
Female	100%	100%	-	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	Yes. The Works committee has been constituted at plant site to resolve the grievances of workers.
Other than permanent workers	
Permanent employees	Yes. HR Helpdesk (Sparsh).
For other than permanent employees	NA

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY2022-23			FY2021-22		
	Total employees/ workers in respective category (A)	No. of employees /workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/ workers in respective category (C)	No. of employees /workers in respective category, who are part of association(s) or Union (D)	%(D/C)
<b>Total Permanent Employees</b>						
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-

Category	FY2022-23			FY2021-22		
	Total employees/ workers in respective category (A)	No. of employees /workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/ workers in respective category (C)	No. of employees /workers in respective category, who are part of association(s) or Union (D)	%(D/C)
<b>Total Permanent Workers</b>	421	421	100%	427	427	100
- Male	421	421	100%	427	427	100
- Female	-	-	-	-	-	-

## 8. Details of training given to employees and workers:

Category	FY2022-23					FY2021-22				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	674	437	65%	674	100%	665	153	23%	613	92%
Female	16	11	69%	11	69%	15	10	83%	11	73%
Total	690	448	65%	685	99%	680	163	24%	624	92%
Workers										
Male	421	290	69%	170	40%	460	280	61%	72	26%
Female	-	-	-	-	-	-	-	-	-	-
Total	421	290	69%	170	40%	460	280	61%	72	26%

## 9. Details of performance and career development reviews of employees and workers:

The Company has implemented robust Performance Management System (PMS) with the objective of ensuring clarity and transparency at every step of the process and the expectation.

Category	FY2022-23			FY2021-22		
	Total (A)	No. (B)	%(B/A)	Total (C)	No. (D)	%(D/C)
<b>Employees</b>						
Male	674	641	95%	659	601	91%
Female	16	16	100%	12	12	100%
<b>Total*</b>	<b>690</b>	<b>657</b>	<b>95%</b>	<b>671</b>	<b>613</b>	<b>91%</b>
<b>Workers</b>						
Male	421	421	100%	451	451	100%
Female	-	-	-	-	-	-
<b>Total</b>	<b>421</b>	<b>421</b>	<b>100%</b>	<b>451</b>	<b>451</b>	<b>100%</b>

\* - Rest of the employees were not eligible for performance appraisal as per HR policy of the Company.

## 10. Health and safety management system:

## a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, the Company maintains a safe and healthy workplace culture by enforcing rules and procedures that ensure a secure and incident-free working environment. Additionally, the company has successfully implemented the ISO 45001:2018 Occupational Health & Safety Management System, emphasizing its commitment to prioritizing employee well-being and effectively managing occupational health and safety.



**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company has implemented various effective methods such as safety audits, work permit system, risk assessments at different locations and periodic evaluations of the health and environmental status in strict compliance with statutory provisions. The company has also taken prompt remedial measures as recommended by experts ensuring the well-being of its employees and the environment.

**c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)**

Yes, the Company has established Standard Operating Procedures (SOP) and Standard Maintenance Procedures (SMP) for all its processes. The company has assigned the responsibility of ensuring the safety and health of workers under the influence to all sectional heads. In order to facilitate coordination between sectional and unit heads on matters related to safety, the Company has appointed safety officers as coordinators. These safety officers act as catalysts in safety-related issues.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes

**11. Details of safety related incidents, in the following format:**

Safety Incident /Number	Category	FY2022-23	FY2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	12	7
Total recordable work-related injuries	Employees	-	-
	Workers	12	7
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Company's senior leadership at manufacturing unit actively engages in reviewing safety measures during the daily production meeting. Strict adherence to all necessary and statutory provisions is mandatory. Throughout the year, the Company organizes employee engagement, awareness, and participation programs on a mass level, with suitable rewards given to employees and teams on a monthly basis. Employees are equipped with online tools to report and halt any unsafe acts or conditions. Emphasis is placed on housekeeping, the use of personal protective equipment (PPE), risk assessment, and the implementation of work permits to ensure the safe execution of work. Regular cross-functional and third-party audits are conducted.

**13. Number of Complaints on the following made by employees and workers:**

	FY2022-23			FY2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	851	NIL	-	143	0	-
Health & Safety	89	NIL	-	58	0	-

**14. Assessments for the year:**

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

The company possesses an online reporting and tracking system, which is reviewed by the Senior leadership and Plant Safety Committee on a monthly basis.

**Principle 4: Business should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the Company.**

The key stakeholders of the Company includes Customers, Regulatory Authorities including Government, Employees, Vendors, Contractors, Bankers, Shareholders and local communities. At Emami Paper, the process of identifying key stakeholder groups involves an in-depth analysis of the Company's operations, legal and regulatory requirements, impact assessment and industry best practices.

**2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly / quarterly / others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Annual performance reviews, One-to-one meetings/ briefings, Team meetings	Continuous	HR Policies, Trainings, etc.
Shareholders	No	Annual General Meeting, Annual Reports, Stock Exchange website	Quarterly, Half Yearly, Annually as and when required	Financial Performance, Company's Strategies and growth prospect, etc.
Vendors	No	Contractual meetings, Tender quotations	Continuous	Quality, cost and long term business relationship, etc.
Customers	No	Dealer's Meet , Company websites, Email, telephone	Continuous	To take customer feedback and resolve grievances, order placements, etc.
Communities	Yes	Awareness Program, Corporate Social Responsibility, One-to-one meetings	Periodically	CSR & Community engagement, etc.
Government Authorities and Regulatory Bodies	No	Industry associations, Meetings	Periodically, as and when required	Statutory compliance, Policy advocacy, etc

**Principle 5: Business should respect and promote human rights**

**Essential Indicators**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY2022-23			FY2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	690	690	100%	607	607	100%
Other than Permanent	-	-	-	-	-	-
<b>Total Employees</b>	<b>100</b>	<b>100</b>	<b>100%</b>	<b>607</b>	<b>607</b>	<b>100%</b>

Category	FY2022-23			FY2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Workers</b>						
Permanent	421	421	100%	460	460	100%
Other than Permanent	-	-	-	-	-	-
<b>Total Workers</b>	<b>421</b>	<b>421</b>	<b>100%</b>	<b>460</b>	<b>460</b>	<b>100%</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY2022-23					FY2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	690	-	-	690	100%	665	-	-	665	100%
Male	674	-	-	674	100%	665	-	-	665	100 %
Female	16	-		16	100%	15	-	-	15	100 %
Other than Permanent										
Male	-	-	-	-	-	-	-	-		
Female	-	-	-	-	-	-	-	-		

<b>Workers</b>										
<b>Permanent</b>	421	-	-	421	421	460			460	100 %
Male	421	-	-	421	100	460			460	100 %
Female	-	-	-	-	-	-				100 %
<b>Other than Permanent</b>										
Male	1,838	347	18.88	1,491	81.12	1,893	465	24.6%	1,428	74.4%
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

Gender	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (in ₹)	Number	Median remuneration/ salary/wages of respective category (in ₹)
Board of Directors (Only Whole-time Directors)	4	2,31,00,000	-	-
Key Managerial Personnel (Other than Whole-time Directors)	2	45,17,000	-	-
Employees other than BoD and KMP	668	3,44,000	16	4,22,000
Workers	421	3,30,000	-	-

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, to address any potential human rights impact or issues arising from the business operations, the company enables its employees and workers to approach the Works Committee, Safety Committee, and POSH Committee. These committees serve as avenues for employees and workers to voice their concerns and seek appropriate resolutions.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company actively promotes a positive and inclusive workplace culture that celebrates diversity and embraces the uniqueness of each employee. It firmly believes in the fundamental rights of all individuals and ensures that these rights are upheld throughout its operations.

The Company addresses human rights issues through its Works Committee and Grievance Committee. These committees serve as mechanisms for addressing and resolving concerns related to human rights within the company.

**6. Number of Complaints on the following made by employees and workers:**

	FY2022-23			FY2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	NIL	NIL	NA	NIL	NIL	NA
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						
Wages						
Other Human rights related issues						

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has implemented comprehensive policies including a robust vigil mechanism and whistle blower policy to address any concerns regarding discrimination and harassment cases. Furthermore, the Company ensures complete anonymity is maintained, and the matter is reviewed by the top management with due seriousness. These initiatives reflect the company's optimistic and proactive approach towards fostering a safe and inclusive work environment for all employees.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes

**9. Assessments for the year:**

	% of the Company's plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child Labour	The Company is in compliance with applicable laws.
Forced Labour/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Other- please specify	

Note: The Internal & external Auditors conduct assessments as per the Audit schedule. Assessments are also carried out by respective Government authorities and the Company has not received any non-compliance certification.

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not Applicable

**Principle 6: Business should respect and make efforts to protect and restore the environment**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY2023	FY2022
Total electricity consumption (A)	592.84 TJ	803.72 TJ
Total fuel consumption (B)	2,66,357 MT	2,99,201 MT
Energy consumption through other sources (C)	194.99 TJ	56.34 TJ
<b>Total energy consumption (A+B+C)</b>	<b>787.83 TJ</b>	<b>860.06 TJ</b>
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0095 KWH/rupee	0.0125 KWH/rupee
Energy intensity (optional) – the relevant metric may be selected by the Company	2,652 MJ/ton	2,607 MJ/ton

**2. Does the Company have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

- SECTOR : Pulp & Paper (Recycled Fibre & Purchased Pulp)
- Designated Consumer (DC) No : PNP0021OR
- Under PAT Scheme : Yes
- Target Set under PAT Scheme Achieved or not : Yes, archived in consecutive two cycles.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY2023	FY2022
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	NA	NA
(ii) Groundwater	39,19,034	39,38,895
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>39,19,034</b>	<b>39,38,895</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>39,19,034</b>	<b>39,38,895</b>
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	<b>0.170 liters/rupee</b>	<b>0.207 liters/rupee</b>
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	<b>13.2</b>	<b>12.6</b>

**4. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

No, the treated effluent is being partly recycled for non-process application and balance is being discharged for cultivation purpose and part quantity to River as per CTO directions issued by OSPCB.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Unit	FY2023	FY2022
NOx	Kg/ton of product	0.90	1.80
SOx	Kg/ton of product	1.94	3.14
Particulate matter (PM)	Kg/ton of product	0.23	0.25
Persistent organic pollutants (POP)	TPA	0	0
Volatile organic compounds (VOC)	TPA	0	0
Hazardous air pollutants (HAP)	TPA	0	0
Others – please specify	TPA	0	0

## 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) &amp; its intensity, in the following format:

Parameter	Unit	FY2023	FY2022
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,466	1,445
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	44,956	12,989
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	MT CO <sub>2</sub> e/Revenue (₹ in Crore)	20.55	7.84
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity	MT Co <sub>2</sub> e/Ton of product	0.05	0.15

## 7. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.

- Continuous improvement in energy efficiency
- Reduction on coal consumption
- Using new manufacturing techniques.
- Switching to lower-emitting fuels.
- Exploring possibilities on installation of Solar Power

## 8. Provide details related to waste management by the entity, in the following format:

Parameter	FY2023	FY2022
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	134	194
E-waste (B)	2,935	5.22
Bio-medical waste (C)	0.045	0.055
Construction and demolition waste (D)	0	0
Battery waste (E)	2,345	3,737
Radioactive waste (F)	0	0
Other Hazardous Waste. Please specify, if any. (G)		
<b>Used Oil</b>	14,861	8,123
<b>Spent Resin</b>	0	0.20
<b>Waste Containing Oil</b>	1,275	0.90
<b>Imported Waste Paper</b>	50,342	86,387
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
<b>Fly ash</b>	1,39,264	1,22,461
<b>ETP Sludge</b>	13,518	17,893
<b>Total (A+B + C + D + E + F + G + H)</b>	2,03,279	2,26,953
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	0	0
<b>For each category of waste generated, total waste disposed of through disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	134	194
(ii) Landfilling	0	0
(iii) Other disposal operations	2,03,145	2,26,759
<b>Total</b>	2,03,279	2,26,953



**9. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Following are the waste management practices adopted:

**A. Liquid waste Management:**

Unit has full-fledged effluent treatment plant to treat papermill effluents and Sewage treatment Plant (STP) to treat domestic/ trade effluents. The treated effluent is being partly recycled for non-process application and balance is being discharged for cultivation purpose and part quantity to River as per CTO directions issued by OSPCB.

**B. Air Pollution Management:**

Unit has adopted various below Air Pollution Control technologies to control point source emissions and fugitive emissions.

- All coal fired boilers are well equipped with high efficient Electrostatic Precipitators(ESP's).
- Dry fog system is in place for dust suppression in Coal handling plants.
- Fixed water sprinkling system is installed to control fugitive dust.
- Mechanical wheel washing system is in place.
- Mobile water sprinkler for suppression of dust emissions on road.
- Concrete roads inside the plant to reduce generation of fugitive emissions.
- Adequate green belt has been developed in and around the plant premises.
- Fly ash handling with ash conditioning system.

**C. Solid Waste Management:**

(i) Hazardous waste Management

- Plastic waste is being disposed for cement plants for incineration.
- Used oil is being disposed for CPCB&OSPCB authorized agency.
- Used Lead acid batteries are being disposed on buy back policy.
- E-Waste is being disposed for authorized recycling units.

(ii) Non-Hazardous waste Management:

- 100% Fly ash is being disposed to Brick manufacturing units.
- ETP primary sludge is fired in boiler and some portion is being disposed to egg tray manufacturing units based on demand

The Company has acknowledged that the waste generated by its operations possesses potential value for various alternative uses. As a result, the company has strategically realigned its focus towards maximizing the utilization of this valuable resource within its operations through the optimization of existing processes. This shift has strengthened the company's dedication to reducing the environmental impact of its business activities by minimizing waste and promoting its re-use.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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Not applicable. No operations/offices were established in/around ecologically sensitive areas such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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No new projects were envisaged in the FY 2022-23. Hence, no environmental impact assessment study was conducted in the current financial year.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N).

- Yes, complied with all the conditions stipulated under Environmental Clearance(EC) order dated 17.05.2007, EC order dated 13.01.2012 and EC amendment order dated 14.03.2022.
- Complied with all applicable environmental laws/regulations/guidelines in India and directions issued under Consent to Operate.
- Six-monthly compliance reports (June & Dec of every year) are being submitting to MoEF&CC, CPCB & OSPCB for the conditions stipulated under above ECs.

If not, provide details of all such non-compliances, in the following format:

Sl. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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No such non-compliances to the law / regulation / guidelines/ conditions and fines / penalties / action taken by pollution control boards or by courts.

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential indicators**

**1. a. Number of affiliations with trade and industry chambers/associations.**

7 (Seven)

**b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.**

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1.	Indian Paper Manufactures Association ( IPMA)	National
2.	Indian Newsprint Manufactures Association (INMA)	National
3.	Federation of Indian Export Organisations ( FIEO)	National
4.	Confederation of Indian Industry (CII)	National
5.	North Orissa Chamber of Commerce & Industry (NOCCI)	National
6.	Balasore Chamber of Industries & Commerce ( BCIC)	National
7.	The Utkal Chamber of Commerce & Industry Ltd.( UCCI)	National

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Not Applicable

**Principle 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity, based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:**

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In INR)
Not Applicable						

**3. Describe the mechanisms to receive and redress grievances of the community.**

The company's Corporate Social Responsibility (CSR) Committee diligently conducts regular visits to the villages, ensuring active engagement with the community. This approach emphasizes the company's commitment to understanding and resolving the challenges faced by the community, fostering a strong and sustainable relationship with them.

## 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY2022-23	FY2021-22
Directly sourced from MSMEs/small producers	0.56%	0.59%
Sourced directly from within the district and neighbouring districts	3.36%	4.07%

## Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

## Essential indicators

## 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Yes, the Company has a robust system in place to address the consumer complaints.

## 2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%. The Company has an uncompromising commitment to provide best in-class products and customer satisfaction.
Safe and responsible usage	The Company complies with all laws and regulations concerning marketing communications. In line with this, the required information as mandated by law is inscribed on the product label of the Company.
Recycling and/or safe disposal	

## 3. Number of consumer complaints in respect of the following:

	FY2022-23			FY2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL		NIL	NIL	
Advertising						
Cyber- security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

## 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	NA
Forced recalls	-	NA

## 5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has detailed framework on cyber security and risks related to data privacy. A detailed presentation is given periodically on the cyber security risk in the Risk Management Committee Meetings.

## 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

NIL

# INDEPENDENT AUDITOR'S REPORT

To the Members of Emami Paper Mills Limited

Report on the Audit of IND AS Financial Statements

## Opinion

We have audited the accompanying Ind AS financial statements of Emami Paper Mills Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash flow statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

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

The Key Audit Matters	Auditors response
<b>1. Revenue from Sale of Goods</b> Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable.  The timing of such revenue recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.  Refer Note 2 to the Standalone Ind AS Financial Statements - Significant Accounting Policies and Note 2.32	Our audit procedures included the following:  Assessed the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and tested thereof. <ul style="list-style-type: none"> <li>Evaluated the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls over recognition of revenue.</li> <li>Evaluated the design, implementation and operating effectiveness of Company's controls in respect of revenue recognition.</li> <li>Tested the effectiveness of such controls over revenue cut off at year-end.</li> <li>On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer contracts and shipping documents.</li> <li>Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and subsequent to the year end.</li> <li>Compared revenue with historical trends and where appropriate, conducted further enquiries and testing.</li> <li>Assessed disclosures in financial statements in respect of revenue, as specified in Ind AS 115.</li> </ul>

The Key Audit Matters	Auditors response
<b>2. Inventory- Existence and Valuation of Inventory</b> <p>As indicated in note 2.9 of the financial statements, the value of the Company's inventories at the year end was Rs. 408.81 crores representing 20.68% of the Company's total assets. The existence of inventory is a key audit matter due to its direct relation to the business cycle of the Company.</p>	<p>Our audit procedures included the following:-</p> <ul style="list-style-type: none"> <li>• Evaluation of the design and testing the operating effectiveness of the internal controls relating to physical inventory counts. In testing this control, we observed the inventory cycle count process on a sample basis, inspected the results of the inventory cycle count and confirmed that the variances were approved and appropriately accounted for.</li> <li>• Evaluation of the design and testing the operating effectiveness of the internal controls relating to purchases, sales and inventories including automated controls.</li> <li>• We have also performed alternate procedures and physical verification on sample basis for establishing the existence of inventory as at year-end by validating purchases, sales, and stock movement of inventory during the intervening time i.e. from the time physical verification started till the completion of verification.</li> <li>• For a representative sample, verification that the finished goods inventories were correctly measured, using a recalculation of the measurement of those inventories based on the cost of acquiring them from suppliers and considering the costs directly attributable to such goods.</li> <li>• Assessed the key estimates used by the Management to determine the net realisable value and the consistency thereof with the Company's policy on provision for non-moving inventory and performed a sensitivity analysis on the estimated selling price and compared with the cost.</li> </ul>
<b>3. Upgradation of ERP Version</b> <p>The Company has upgraded its version of ERP (i.e. SAP) from ECC to HANA at an investment of Rs. 4.50 crores approx. as the Company's key financial accounting and reporting processes are highly dependent on information systems including automated controls and other systems used for its overall financial reporting.</p>	<p>Our audit procedures included the following:-</p> <ul style="list-style-type: none"> <li>• Understood General IT Control i.e. access controls, program/system change, program development, over key financial accounting and reporting systems including operating systems and databases.</li> <li>• Reviewed and checked the migration process of data and documents and checked the capitalisation of expenses incurred for the same.</li> <li>• Test checked the General IT Controls for design and operating effectiveness for the audit period.</li> </ul>

**Information Other than the Ind AS Financials Statements and Auditor's Report thereon**

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Board's Report but does not include the financial statements and our auditors' report thereon.
- 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 Ind AS 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 the Management and Those Charged with Governance for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India prescribed 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 statement 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.

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

## Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate

to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS 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.

### Other Matter

The financial statements of the Company for the year ended March 31, 2022 included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those financial statements dated May 25, 2022.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report to the extent applicable that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the 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 relevant rules issued thereunder.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is in excess of the limit laid down under Section 197 of the Act and the Company has taken approval of the same through special resolution in general meeting. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note No.- 2.43
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or

indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement
- v. The dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 2.59 to the financial statements, the Board of Directors of the Company have proposed final dividend for the current year, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants  
Firm Reg. No.: 306033E/E300272

**Sandeep Agrawal**

Partner  
Membership No: 058553  
UDIN- 23058553BGYOHB3973

Place- Kolkata  
Dated- 26th May 2023

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

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

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has a regular programme of verification to cover all the items of Property, Plant and Equipment in a phased manner over a period of three years. In accordance with this programme certain property, plant and equipment were physically verified by the management during the year. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of these assets. No material discrepancies were noticed on such verification.

(c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed / title deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the Balance Sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the company, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The inventories were physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for

each class of inventories were noticed on such physical verification of inventories when compared with books of accounts.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. We have examined the statements filed by the company with banks or financial institutions and reconciled the same with books of accounts. We didn't find any material discrepancies and are in agreement with the book of account of the Company.

iii. In our opinion and according to the information and explanations give to us, the Company has not made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties during the year, hence reporting under paragraph 3(a),(b),(c),(d),(e) and (f) of the Order is not applicable.

iv. According to the information and explanations given to us and as per records examined by us, the Company has not granted any loans, not made any investments and has not provided guarantees and securities as applicable with the provisions of Section 185 and 186 of the Companies Act, 2013.

v. The Company has not accepted any deposit or amounts which are deemed to be deposit within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Hence, reporting under clause 3 (v) of the Order is not applicable.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies(Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie the prescribed cost records have been made and maintained.

vii. According to the information and explanations given to us in respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of custom, Cess and other material statutory dues applicable to it with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of custom, Cess and other statutory dues in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount (Rs. in Crores)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	0.01	1994-95	Commissioner of Central Excise (Appeal)
Finance Act, 1994	Service Tax	0.75	2006-07	Tribunal
		0.04	2011-12	CESTAT
		0.03	2012-13 to 2014-15	Commissioner (Appeal 1)
		0.26	2016-17	Deputy Commissioner
Entry Tax Laws (West Bengal)	Entry Tax	0.22	2010-11	Additional Commissioner (Appeal)
		3.14	2013-14 to 2017-18	High Court
Sales Tax	CST	0.01	2004-05	DCCT
		0.17	2009-10	Commissioner (Appeal)
		0.01	2015-16	Tribunal

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

ix. (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence reporting under clause (ix)(a) of the Order is not applicable.

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

(c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has utilized the loan amount taken during the year for intended purpose.

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

(e) The Company does not have any subsidiary, associate or joint venture. Hence, reporting under paragraph 3(ix) (e) and (f) of the Order is not applicable to the company.

x. (a) 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 clause (x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable.

xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) To the best of our knowledge and according to the information and explanations given to us there were no whistle-blower complaints, received during the year by the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause (xii) of the Order is not applicable.

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 Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable Indian Accounting Standards.

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

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

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a) (b) and (d) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us by the Management, there are two companies forming part of the group which have applied for registration as Core Investment Company (CIC) with the Reserve Bank of India.
- xvii. The Company has not incurred cash losses during the financial year and the immediately preceding financial year. Hence reporting under paragraph 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board

of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly reporting under paragraph 3(xx)(a) is not applicable for the year.
- (b) There are no ongoing projects under sub-section (5) of Section 135. Accordingly reporting under paragraph 3(xx)(b) is not applicable .
- xxi. The Company is not required to prepare consolidated financial statements and hence, reporting under clause (xxi) of the Order is not applicable.

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Reg. No.: 306033E/E300272

**Sandeep Agrawal**

Partner

Membership No: 058553

UDIN- 23058553BGYOH3973

Place- Kolkata

Dated- 26th May 2023



## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Emami Paper Mills Limited (“the Company”) as of March 31, 2023 to the extent of records available with us in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

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

maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting**

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

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India .

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Reg. No.: 306033E/E300272

**Sandeep Agrawal**

Partner

Membership No: 058553

UDIN- 23058553BGYOH3973

Place- Kolkata

Dated- 26th May 2023

# Balance Sheet

as at 31st March, 2023

(₹ in Crores)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2.1	1,143.58	1,161.32
Capital work-in-progress	2.2	3.70	30.53
Other intangible assets	2.3	4.61	0.05
Intangible assets under development	2.4	-	0.80
<b>Financial assets</b>			
Investments	2.5	38.84	48.67
Loans	2.6	0.05	0.13
Others	2.7	2.58	3.01
Other non-current assets	2.8	6.88	6.92
		<b>1,200.24</b>	<b>1,251.43</b>
<b>Current assets</b>			
Inventories	2.9	408.81	227.10
<b>Financial assets</b>			
Trade receivables	2.10	262.57	217.66
Cash and cash equivalents	2.11	0.12	0.16
Bank balance other than cash and cash equivalents	2.12	0.22	1.59
Loans	2.13	0.53	0.21
Derivative assets	2.14	0.13	-
Others	2.15	2.67	1.07
Current tax asset (net)		9.09	1.49
Other current assets	2.16	91.74	78.23
		<b>775.88</b>	<b>527.51</b>
<b>Total Assets</b>		<b>1,976.12</b>	<b>1,778.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	2.17	12.10	12.10
Convertible preference shares	2.18	243.52	243.52
Other equity	2.19	443.10	397.40
		<b>698.72</b>	<b>653.02</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	2.20	275.27	347.57
Other financial liabilities	2.21	7.13	7.89
Provisions	2.22	18.92	16.40
Deferred tax liabilities (net)	2.23	127.88	115.17
Deferred revenue	2.24	5.36	3.85
		<b>434.56</b>	<b>490.88</b>
<b>Current Liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	2.25	583.14	438.03
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	2.26	10.56	5.42
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.27	198.69	153.39
Derivative liability	2.28	1.84	0.25
Other financial liabilities	2.29	37.13	24.54
Other current liabilities	2.30	7.78	9.75
Provisions	2.31	3.70	3.66
		<b>842.84</b>	<b>635.04</b>
<b>Total Equity and Liabilities</b>		<b>1,976.12</b>	<b>1,778.94</b>
Significant accounting policies	1		
Notes forming part of the financial statements	2		

The accompanying notes are an integral part of these financial statements  
In terms of our attached report of even date

For S K Agrawal and Co Chartered Accountants LLP  
Chartered Accountants  
Firm Registration Number : 306033E/ E300272

For and on behalf of the Board

Sandeep Agrawal  
Partner  
Membership No. - 058553

Aditya V. Agarwal  
Executive Chairman  
DIN : 00149717

Manish Goenka  
Whole-time Director  
DIN : 00363093

Vivek Chawla  
Whole-time Director & CEO  
DIN : 02696336

Place: Kolkata  
Date: 26th May, 2023

Mukesh Kumar Agarwal  
Asst. Vice President (Finance)  
& Interim CFO

D Banthiya  
Company Secretary  
M.No. : F - 7790

# Statement of Profit and Loss

for the Year ended 31st March, 2023

(₹ in Crores)

Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>REVENUES</b>			
Revenue from operations	2.32	2,308.11	1,957.71
Other income	2.33	2.46	2.05
<b>Total income</b>		<b>2,310.57</b>	<b>1,959.76</b>
<b>EXPENSES</b>			
Cost of materials consumed	2.34	1,696.07	1,266.18
Changes in inventories of finished goods and work-in-progress	2.35	(14.81)	(2.18)
Power and fuel	2.36	164.79	119.81
Employee benefits expense	2.37	80.51	78.95
Finance costs	2.38	63.43	82.76
Depreciation and amortization expenses		67.59	73.88
Other expenses	2.39	159.89	181.03
<b>Total expenses</b>		<b>2,217.47</b>	<b>1,800.43</b>
<b>Profit before exceptional items and tax</b>		<b>93.10</b>	<b>159.33</b>
<b>Exceptional items</b>			
Expansion project abandonment expenditures		-	(5.94)
Profit/(loss) before tax		93.10	153.39
Tax expense			
Current tax	2.40	10.43	-
Deferred tax	2.41	13.50	38.59
<b>Total tax expenses</b>		<b>23.93</b>	<b>38.59</b>
<b>Profit/(loss) for the year</b>		<b>69.17</b>	<b>114.80</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on employees defined benefit plans		(0.14)	(2.57)
Less: Income tax effect on above		0.04	0.65
Fair value changes of investment in equity shares		(9.82)	(4.87)
Less: Income tax effect on above		0.82	0.50
Items that will be reclassified to profit or loss			
Net fair value changes of cash flow hedges		0.28	6.84
Less: Income tax effect on above		(0.07)	(1.72)
<b>Total other comprehensive income</b>		<b>(8.89)</b>	<b>(1.17)</b>
<b>Total comprehensive income for the year</b>		<b>60.28</b>	<b>113.63</b>
Earning per equity share (Face value ₹ 2/- each)	2.51		
(1) Basic (in ₹)		10.62	18.17
(2) Diluted (in ₹)		8.71	14.45
Significant accounting policies	1		
Notes forming part of the financial statements	2		

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 306033E/ E300272

**Sandeep Agrawal**

Partner

Membership No. - 058553

Place: Kolkata

Date: 26th May, 2023

For and on behalf of the Board

**Aditya V. Agarwal**

Executive Chairman

DIN : 00149717

**Mukesh Kumar Agarwal**

Asst. Vice President (Finance)

& Interim CFO

**Manish Goenka**

Whole-time Director

DIN : 00363093

**D Banthiya**

Company Secretary

M.No. : F - 7790

**Vivek Chawla**

Whole-time Director & CEO

DIN : 02696336

# Statement of Changes in Equity for the Year ended 31st March, 2023

## A. Equity share capital

(₹ in Crores)

Particulars	Balance at the beginning of the reporting year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting year	Changes during the reporting year	Balance at the end of the reporting year
For the year ended 31.03.2022	12.10	-	12.10	-	12.10
For the year ended 31.03.2023	12.10	-	12.10	-	12.10

## B. Convertible preference shares classified as equity

(₹ in Crores)

Particulars	Balance at the beginning of the reporting year	Changes in Preference share capital due to prior period errors	Restated balance at the beginning of the reporting year	Changes during the reporting year	Balance at the end of the reporting year
For the year ended 31.03.2022	243.52	-	243.52	-	243.52
For the year ended 31.03.2023	243.52	-	243.52	-	243.52

## C. Other equity

(₹ in Crores)

Particulars	Reserve and surplus				Items of other comprehensive income			Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Not re-classifiable to profit and loss		Re-classifiable to profit & loss	
					FVTOCI of Equity investment	Remeasurement of defined benefit plans	Cash flow hedge reserve	
<b>Balance on 01.04.2021</b>	<b>1.33</b>	<b>17.93</b>	<b>140.00</b>	<b>84.96</b>	<b>48.49</b>	<b>(3.60)</b>	<b>(5.27)</b>	<b>283.84</b>
Profit for the year 2021-22				114.80				114.80
Other comprehensive income for the year					(4.37)	(1.92)	5.12	(1.17)
Dividend				(0.07)				(0.07)
<b>Balance on 31.03.2022</b>	<b>1.33</b>	<b>17.93</b>	<b>140.00</b>	<b>199.69</b>	<b>44.12</b>	<b>(5.52)</b>	<b>(0.15)</b>	<b>397.40</b>
Profit for the year 2022-23				69.17				69.17
Other comprehensive income for the year					(9.00)	(0.10)	0.21	(8.89)
Dividend				(14.58)				(14.58)
<b>Balance on 31.03.2023</b>	<b>1.33</b>	<b>17.93</b>	<b>140.00</b>	<b>254.28</b>	<b>35.12</b>	<b>(5.62)</b>	<b>0.06</b>	<b>443.10</b>

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 306033E/ E300272

For and on behalf of the Board

**Sandeep Agrawal**

Partner

Membership No. - 058553

**Aditya V. Agarwal**

Executive Chairman

DIN : 00149717

**Manish Goenka**

Whole-time Director

DIN : 00363093

**Vivek Chawla**

Whole-time Director & CEO

DIN : 02696336

Place: Kolkata

Date: 26th May, 2023

**Mukesh Kumar Agarwal**

Asst. Vice President (Finance)

& Interim CFO

**D Banthiya**

Company Secretary

M.No. : F - 7790

# Cash Flow Statement

for the Year ended 31st March, 2023

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Cash Flow From Operating Activities :</b>		
Profit before tax	93.10	153.39
Adjustment for :		
Depreciation and amortization expenses	67.59	73.88
Project abandonment expenses	-	5.94
Fair value Loss / (Gain) on derivatives	1.74	1.93
Provision for Earned Leave & Gratuity (Net)	2.42	2.79
Provision for expected credit loss	0.05	(0.04)
Interest and financial charges	63.43	82.41
Foreign exchange loss / (gain)	11.37	6.46
Dividend income	(0.75)	(0.75)
(Profit) / loss on disposal of property, plant and equipment and termination of lease	(0.12)	(0.19)
<b>Operating profit before working capital changes :</b>	<b>238.83</b>	<b>325.82</b>
Add: Decrease / Increase in Working Capital		
Trade receivables, loans and advances	(55.68)	(35.13)
Bank Balances (except cash and cash equivalent)	1.37	0.21
Inventories	(181.71)	(4.59)
Trade and other payables	47.68	43.49
<b>Cash generated from operations</b>	<b>50.49</b>	<b>329.80</b>
Income tax payments / refunds	(18.03)	(1.05)
<b>Net Cash from / (used in) Operating Activities</b>	<b>32.46</b>	<b>328.75</b>
<b>Cash Flow From Investing Activities :</b>		
Payments for property, plant and equipment	(26.15)	(34.97)
Proceeds from sale of property, plant and equipment	1.88	0.48
Dividend income	0.75	0.75
<b>Net Cash from / (used in) investing activities</b>	<b>(23.52)</b>	<b>(33.74)</b>
<b>Cash Flow From Financing Activities :</b>		
Disbursement of non-current borrowings	66.00	80.00
Repayment of non-current borrowings	(131.94)	(224.81)
Increase/(decrease) in current borrowings	127.52	(74.08)
Repayment of lease liability	-	(0.38)
Interest and other finance cost paid	(55.98)	(77.70)
Dividend paid	(14.58)	(9.80)
<b>Net Cash used in Financing Activities</b>	<b>(8.98)</b>	<b>(306.77)</b>
<b>Net increase/(decrease) in Cash &amp; Cash Equivalents</b>	<b>(0.04)</b>	<b>(11.76)</b>
Cash & Cash Equivalents (Opening Balance)	0.16	11.92
Cash & Cash Equivalents (Closing Balance)	0.12	0.16

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 306033E/ E300272

Sandeep Agrawal

Partner

Membership No. - 058553

Place: Kolkata

Date: 26th May, 2023

For and on behalf of the Board

Aditya V. Agarwal

Executive Chairman

DIN : 00149717

Mukesh Kumar Agarwal

Asst. Vice President (Finance)

& Interim CFO

Manish Goenka

Whole-time Director

DIN : 00363093

D Banthiya

Company Secretary

M.No. : F - 7790

Vivek Chawla

Whole-time Director & CEO

DIN : 02696336



# Notes to the Financial Statements for the Year ended 31st March, 2023

## 1. THE COMPANY INFORMATION

Emami Paper Mills Limited (the 'Company'), is a public limited Company incorporated and domiciled in India with its registered office in Kolkata, West Bengal. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is India's one of the largest producer of Newsprint, Writing & Printing Paper and Multilayer Coated High-end Packaging Boards. The Company has operating plants at Balasore location.

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates. All amounts have been rounded-off to the nearest crores, unless otherwise indicated.

The financial statements for the year ended 31st March, 2023 have been approved by the Board of Directors and authorised for issue on 26th May, 2023.

## 2. RECENT ACCOUNTING PRONOUNCEMENTS

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below :

- a) Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company does not expect this amendment to have any significant impact in its financial statements.
- b) Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company does not expect this amendment to have any significant impact in its financial statements.
- c) Ind AS 12, Income Taxes – This amendment 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. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company does not expect this amendment to have any significant impact in its financial statements.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### a) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

### b) Basis of Preparation

The financial statements have been prepared on accrual and going concern basis and under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values as per Ind AS.

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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

# Notes to the Financial Statements

for the Year ended 31st March, 2023

## c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities includes useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provisions for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

## d) Property, Plant and Equipment

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Property, plant and equipment are carried at cost, less accumulated depreciation and impairment. Cost of an item of property, plant and equipment is the cash price equivalent at the recognition date; if payment is deferred beyond normal credit terms, the difference between cash price equivalent and the total payment is recognized as interest over the period of credit. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets. Capital work-in-progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

Property, plant and equipment includes spare parts, stand-by equipment and servicing equipment which are expected to be used for a period more than twelve months and meets the recognition criteria of plant, property and equipment.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

## e) Intangible assets

Intangible assets are recognised, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

## f) Depreciation and amortization of property, plant and equipment and intangible assets

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on pro-rata basis over the useful life of respective assets as prescribed under schedule-II to the Companies Act, 2013.

- a. On straight-line method in respect of
  - i) Buildings of Paper machine-II, III, IV, ETP-II, Power Generation Unit-II & III at Balasore.
  - ii) Plant & machinery of Paper Machine III, IV, ETP-II, Power Generation unit-II & III at Balasore.
- b. On written down value method in respect of other assets.
- c. Leasehold land is amortised over the period of lease.
- d. Software licenses are amortised over the period of license.

# Notes to the Financial Statements

for the Year ended 31st March, 2023

Freehold land is not depreciated.

Addition to an asset, is depreciated over the remaining useful life of that asset, except when such addition retains a separate identity and is capable of being used after the asset is disposed off, such additions are depreciated independently over its own useful life.

Depreciable value of fixed asset is its cost of acquisition as reduced by estimated residual value.

## g) Inventories

- a. Finished goods, stock-in-process, raw materials, stores, chemicals and spare parts are valued at lower of cost or net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.
- b. Valuation of inventory is done under weighted average cost formula.
- c. Inventories do not include items of spare parts which meets the recognition criteria of plant, property and equipment and be treated as such.

Provisions are made to cover slow moving and obsolete items based on historical experience.

## h) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

## i) Financial Instruments

### Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

### Trade Receivables:

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are initially recognized at transaction price, and subsequently measured at amortized cost by providing loss allowance at an amount equal to lifetime expected credit losses. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

The company recognizes loss allowance on trade receivable, which does not contain a significant financing component, using "simplified approach" at an amount equal to Lifetime Expected Credit Loss (ECL) considering the risk or probability that a credit loss may occur, even if the possibility of a credit loss occurring is very low, time value of money based on reasonable and supportable information that are available.

Loss allowances on trade receivable are recognized in the Statement of Profit and Loss within other expenses.

# Notes to the Financial Statements for the Year ended 31st March, 2023

## Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

**a) Measured at amortised cost:** Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

**b) Measured at fair value through other comprehensive income:**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

**c) Measured at fair value through profit or loss:**

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

## Equity Instruments:

All investments in equity instruments classified under financial assets are measured at fair value. The company in respect of equity investments, which are not held for trading made an irrevocable election based on its judgment to present in other comprehensive income subsequent changes in the fair value (FVOCI) of such equity instrument.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

## Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

## Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

## Financial Liabilities and Equity Instruments:

### Classification as debt or equity

Debt and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

# Notes to the Financial Statements for the Year ended 31st March, 2023

## Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. While equity instruments are issued to extinguish all or part of a financial liability, those are recognized at the fair value of the equity instrument issued.

## Preference shares

Preference shares issued by the company are considered as equity when those are convertible either mandatorily or at the option of the company into pre-determined fixed number of equity shares of the company. In all other cases, preference shares are classified as debt.

Contingent settlement conditions if any attached with the preference shares that may require redemption of preference shares in cash, are evaluated according to the substance of the conditions as well as considering operation, performance and outlook of the company. Contingent settlement conditions, which have no genuine possibility of occurring or have an extremely rare chance of occurrence, does not affect classification of preference shares.

## Financial Liabilities-

### Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

### Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

### Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

### Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

## j) Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or 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 obligation or a reliable estimate of the amount cannot be made.

# Notes to the Financial Statements for the Year ended 31st March, 2023

## k) Revenue Recognition

Sales represents amounts received and receivable from the goods supplied to the customers. Sales are recognized when control of the goods has been transferred to the customer. Controls are transferred by satisfying the performance obligation of the contract. Revenue towards satisfaction of a performance obligation is measured at the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of the goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Income from export incentives such as duty drawback and premium on sale of import licenses are recognised on accrual basis. Incentives are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Duties and taxes waivers for capital assets purchased under Export Promotion Credit Guarantee (EPCG) schemes are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

Dividend income is recognized when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on a time proportionate method using underlying interest rates.

Insurance claims are recognised when there exists no significant uncertainty with regard to the amounts to be realised and the ultimate collection thereof.

## l) Government grants:

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received. Government grants received is subject to any condition to be fulfilled by the Company, recognition of grant in the statement of profit and loss is made on a systematic basis in proportion to fulfillment of such condition. Total grants received less the amounts credited to the statement of profit and loss at the Balance Sheet date are included in the Balance Sheet as deferred income.

## m) Expenditure:

Expenses are accounted on accrual basis.

## n) Employee Benefits:

### Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

### Defined benefit plans

The Company's Liabilities on account of Gratuity and Earned Leave on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per Indian Accounting Standard (Ind AS)-19., 'Employee Benefits' These liabilities are funded on year-to-year basis by contribution to respective funds. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.



# Notes to the Financial Statements for the Year ended 31st March, 2023

The Defined Benefit Plan can be short term or long terms which are defined below:

## **a. Short-term Employee Benefit**

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

## **b. Long-term Employee Benefits**

Compensated absences which are not expected to occur within 12 months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the Balance Sheet date.

## **o) Impairment of Non-Financial Assets:**

At each Balance Sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

## **p) Extinguishment of financial liabilities with equity instrument**

When any financial liability is extinguished in exchange of equity instruments; the difference if any, between the carrying amount of the financial liability extinguished and the fair value of equity instrument issued or exchanged (whether explicitly or constructively) is recognized in profit and loss statement in the period in which such extinguishment takes place.

## **q) Income Taxes:**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to an item which is recognised directly in equity or in other comprehensive income.

### **Current tax**

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

### **Deferred tax**

Deferred tax is provided using the Balance Sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred

# Notes to the Financial Statements for the Year ended 31st March, 2023

income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

## r) Leases:

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 Emami's operations taking into account 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.

## s) Foreign Currency Transactions and Translations

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the Statement of Profit and Loss at the end of each reporting period.

In accordance with Ind AS 101, the company has continued capitalization of exchange differences arising on long-term foreign currency monetary items outstanding as on 31st March, 2016 in accordance with paragraph 46A of Accounting Standard 11, "The Effect of Changes in Foreign Exchange Rates". Accordingly, exchange differences arising from such long term foreign currency monetary items relating to the acquisition of a depreciable asset are added to or deducted from the cost of the depreciable capital asset. Other exchange differences are recognized as income or expenses in the Statement of Profit & Loss.

Monetary Assets and Liabilities in foreign currency that are outstanding at the year end are translated at the year end exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

## t) Derivatives and Hedge Accounting

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Company documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

### a. Fair value hedges –

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

## Notes to the Financial Statements for the Year ended 31st March, 2023

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

### **b. Cash flow hedges –**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income. The gains / losses relating to the ineffective portion is recognised in the Statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in the Statement of Profit and Loss.

### **u) Segment Reporting:**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### **v) Earnings Per Share:**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

### **w) Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit for the period 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 item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **x) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are written off as borrowing costs when paid.

# Notes to the Financial Statements for the Year ended 31st March, 2023

## y) Fair value measurements

The Company measures financial instruments such as derivatives and certain investments, at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.1 PROPERTY, PLANT AND EQUIPMENTS (PPE)

(₹ in Crores)

Particulars	Gross Block as at 01.04.22	Addition	Disposal/ adjustment	Gross Block as at 31.03.23	Accumulated Depreciation as at 01.04.22	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.23	Closing WDV as at 31.03.23	Opening WDV as at 01.04.22
<b>Tangible Assets</b>										
Free-hold land	7.28	-	-	7.28	-	-	-	-	7.28	7.28
Leasehold land	12.23	-	-	12.23	1.18	0.33	-	1.51	10.72	11.05
Factory building	172.89	1.69	-	174.58	34.81	6.05	-	40.86	133.72	138.08
Non factory building	134.89	0.11	-	135.00	21.38	3.91	-	25.29	109.71	113.51
Plant & Equipment	1,220.38	48.89	4.21	1,265.06	336.14	56.08	2.52	389.70	875.36	884.24
Furniture & Fittings	10.73	0.37	-	11.10	5.24	0.52	-	5.76	5.34	5.49
Vehicles	3.88	0.17	0.42	3.63	2.82	0.34	0.36	2.80	0.83	1.06
Office equipment	1.09	0.10	-	1.19	0.90	0.08	-	0.98	0.21	0.19
Computers	2.39	0.26	0.07	2.58	1.97	0.26	0.06	2.17	0.41	0.42
<b>Total</b>	<b>1,565.76</b>	<b>51.59</b>	<b>4.70</b>	<b>1,612.65</b>	<b>404.44</b>	<b>67.57</b>	<b>2.94</b>	<b>469.07</b>	<b>1,143.58</b>	<b>1,161.32</b>

## 2.2 CAPITAL WORK-IN-PROGRESS

(₹ in Crores)

Particulars	Opening as at 01.04.22	Addition	Disposal/ adjustment	Closing as at 31.03.23
Projects in progress	30.53	3.28	30.11	3.70
<b>Total</b>	<b>30.53</b>	<b>3.28</b>	<b>30.11</b>	<b>3.70</b>
<b>CWIP ageing schedule</b>				
Less than 1 year				3.27
1 year to 2 year				0.43
<b>Total</b>				<b>3.70</b>

## 2.3 OTHER INTANGIBLE ASSETS

(₹ in Crores)

Particulars	Gross Block as at 01.04.22	Addition	Disposal/ adjustment	Gross Block as at 31.03.23	Accumulated Depreciation as at 01.04.22	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.23	Closing WDV as at 31.03.23	Opening WDV as at 01.04.22
Computer Software	0.49	4.58	-	5.07	0.44	0.02	-	0.46	4.61	0.05
<b>Total</b>	<b>0.49</b>	<b>4.58</b>	<b>-</b>	<b>5.07</b>	<b>0.44</b>	<b>0.02</b>	<b>-</b>	<b>0.46</b>	<b>4.61</b>	<b>0.05</b>

## 2.4 INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crores)

Particulars	Opening as at 01.04.22	Addition	Disposal/ adjustment	Closing as at 31.03.23
Project in Progress	0.80	3.78	4.58	-
<b>Total</b>	<b>0.80</b>	<b>3.78</b>	<b>4.58</b>	<b>-</b>

# Notes to the Financial Statements

for the Year ended 31st March, 2023

## 2.1 PROPERTY, PLANT AND EQUIPMENTS (PPE)

(₹ in Crores)

Particulars	Gross Block as at 01.04.21	Addition	Disposal/ adjustment	Gross Block as at 31.03.22	Accumulated Depreciation as at 01.04.21	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.22	Closing WDV as at 31.03.22	Opening WDV as at 01.04.21
<b>Tangible Assets</b>										
Free-hold land	7.28	-	-	7.28	-	-	-	-	7.28	7.28
Leasehold land	12.23	-	-	12.23	0.99	0.19	-	1.18	11.05	11.24
Factory building	172.03	0.86	-	172.89	28.79	6.02	-	34.81	138.08	143.24
Non factory building	134.32	0.57	-	134.89	17.35	4.03	-	21.38	113.51	116.97
Right to use in non factory building	1.95	-	1.95	-	1.05	0.26	1.31	-	-	0.90
Plant & Equipment	1,212.20	9.09	0.91	1,220.38	274.60	61.94	0.40	336.14	884.24	937.60
Office equipment	1.00	0.09	-	1.09	0.81	0.09	-	0.90	0.19	0.19
Computers	2.10	0.32	0.03	2.39	1.81	0.17	0.01	1.97	0.42	0.29
Furniture & Fittings	10.64	0.10	0.01	10.73	4.57	0.68	0.01	5.24	5.49	6.07
Vehicles	3.99	-	0.11	3.88	2.45	0.46	0.09	2.82	1.06	1.54
<b>Total</b>	<b>1,557.74</b>	<b>11.03</b>	<b>3.01</b>	<b>1,565.76</b>	<b>332.42</b>	<b>73.84</b>	<b>1.82</b>	<b>404.44</b>	<b>1,161.32</b>	<b>1,225.32</b>

## 2.2 CAPITAL WORK-IN-PROGRESS

(₹ in Crores)

Particulars	Opening as at 01.04.21	Addition	Disposal/ adjustment	Closing as at 31.03.22
Projects in progress	0.10	30.43	-	30.53
<b>Total</b>	<b>0.10</b>	<b>30.43</b>	<b>-</b>	<b>30.53</b>

### CWIP ageing schedule

Less than 1 year	30.43
1 year to 2 year	0.10
<b>Total</b>	<b>30.53</b>

## 2.3 OTHER INTANGIBLE ASSETS

(₹ in Crores)

Particulars	Gross Block as at 01.04.21	Addition	Disposal/ adjustment	Gross Block as at 31.03.22	Accumulated Depreciation as at 01.04.21	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.22	Closing WDV as at 31.03.22	Opening WDV as at 01.04.21
Computer Software	0.49	-	-	0.49	0.40	0.04	-	0.44	0.05	0.09
<b>Total</b>	<b>0.49</b>	<b>-</b>	<b>-</b>	<b>0.49</b>	<b>0.40</b>	<b>0.04</b>	<b>-</b>	<b>0.44</b>	<b>0.05</b>	<b>0.09</b>

## 2.4 INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crores)

Particulars	Opening as at 01.04.21	Addition	Disposal/ adjustment	Closing as at 31.03.22
Project in Progress	-	0.80	-	0.80
<b>Total</b>	<b>-</b>	<b>0.80</b>	<b>-</b>	<b>0.80</b>

### Intangible assets under development ageing schedule

1 year to 2 year	0.80
<b>Total</b>	<b>0.80</b>



# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.5 NON-CURRENT INVESTMENTS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Investment measured at fair value through other comprehensive income</b>		
<b>Quoted equity shares fully paid up</b>		
Emami Ltd: Face value ₹1/- each	33.44 (9,33,000 nos)	41.78 (9,33,000 nos)
Emami Realty Ltd: Face value ₹2/- each	0.01 (833 nos)	0.01 (833 nos)
<b>Aggregate amount and market value of quoted investment</b>	<b>33.45</b>	<b>41.79</b>
<b>Unquoted equity shares fully paid up</b>		
Midkot Investment Pvt. Ltd: Face value ₹10/- each (Refer Note-2.58)	- -	6.87 (62,38,190 nos)
<b>Unquoted 8% Non-Cumulative optionally convertible redeemable preference shares fully paid up</b>		
Midkot Investment Pvt. Ltd: Face value . ₹ 10/- each	5.38 (3,07,300 nos)	- -
<b>Aggregate amount of unquoted investment</b>	<b>5.38</b>	<b>6.87</b>
<b>Investment carried at amortized cost</b>		
<b>Investment in Government securities</b> (Lodged with government authorities)		
Investment in national saving certificates	0.01	0.01
<b>Total</b>	<b>38.84</b>	<b>48.67</b>

## 2.6 NON-CURRENT LOANS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, considered good</b>		
Loans to employees	0.05	0.13
<b>Total</b>	<b>0.05</b>	<b>0.13</b>

## 2.7 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security deposit	2.57	3.00
Fixed deposit with banks with remaining maturity more than 12 months	0.01	0.01
<b>Total</b>	<b>2.58</b>	<b>3.01</b>

# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.8 OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, considered good</b>		
Capital advances	2.69	2.24
Advances other than capital advances		
Prepaid expenses	0.27	0.17
Indirect tax deposits under litigation	3.92	4.51
<b>Total</b>	<b>6.88</b>	<b>6.92</b>

## 2.9 INVENTORIES (At lower of cost or net realisable value)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw materials and chemicals	318.78	153.98
Work in progress	12.09	6.79
Finished goods	25.41	15.90
Stores and spares	48.09	45.31
Packing materials	4.44	5.12
<b>Total</b>	<b>408.81</b>	<b>227.10</b>
<b>Includes following inventories in transit</b>		
Raw materials and chemicals - in transit	32.42	12.62
<b>Total</b>	<b>32.42</b>	<b>12.62</b>

## 2.10 TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, considered good</b>		
Due from related parties	-	-
Due from others	262.67	217.70
	262.67	217.70
Less: Provision for expected credit loss	0.10	0.04
<b>Total</b>	<b>262.57</b>	<b>217.66</b>

## TRADE RECEIVABLES AGEING SCHEDULE

(₹ in Crores)

As at 31st March 2023	(Outstanding for following periods from due date of payment)						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed – considered good	212.18	49.57	0.65	0.25	0.01	0.01	262.67
<b>Sub-Total</b>	<b>212.18</b>	<b>49.57</b>	<b>0.65</b>	<b>0.25</b>	<b>0.01</b>	<b>0.01</b>	<b>262.67</b>
Less: Allowance for expected credit loss							0.10
<b>Total</b>							<b>262.57</b>

# Notes to the Financial Statements for the Year ended 31st March, 2023

## TRADE RECEIVABLES AGEING SCHEDULE

(₹ in Crores)

As at 31st March 2022	(Outstanding for following periods from due date of payment)						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed – considered good	132.43	83.37	1.70	0.08	0.12	-	217.70
<b>Sub-Total</b>	<b>132.43</b>	<b>83.37</b>	<b>1.70</b>	<b>0.08</b>	<b>0.12</b>	<b>-</b>	<b>217.70</b>
Less: Allowance for expected credit loss							0.04
<b>Total</b>							<b>217.66</b>

## 2.11 CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance with banks - current accounts	0.05	0.02
Cash on hand	0.07	0.04
Fixed deposit with original maturity of less than 3 months	-	0.10
<b>Total</b>	<b>0.12</b>	<b>0.16</b>

## 2.12 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unclaimed dividend account	0.07	0.07
Fixed deposit with scheduled banks	0.15	1.52
<b>Total</b>	<b>0.22</b>	<b>1.59</b>

## 2.13 CURRENT LOANS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, considered good</b>		
Loans to employees	0.53	0.21
<b>Total</b>	<b>0.53</b>	<b>0.21</b>

## 2.14 CURRENT DERIVATIVE ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, considered good</b>		
Interest rate swap	0.10	-
Currency swap / forward cover / currency option	0.03	-

# Notes to the Financial Statements

for the Year ended 31st March, 2023

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Total</b>	<b>0.13</b>	<b>-</b>

## 2.15 OTHER CURRENT FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest receivable	0.10	0.34
Insurance claim receivable	0.28	-
Security deposits	2.21	0.73
Others	0.08	-
<b>Total</b>	<b>2.67</b>	<b>1.07</b>

## 2.16 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, considered good</b>		
Advances other than Capital Advances		
Advance to suppliers	42.88	42.96
Advance to employees against expenses	0.01	-
Indirect tax credit	36.77	13.58
Indirect tax deposits under litigation	0.47	-
Export incentive receivable	0.33	7.70
IGST/Cess refundable	2.08	6.45
Prepaid expenses	5.57	4.33
Income tax refundable	0.01	0.01
Others	3.62	3.20
<b>Total</b>	<b>91.74</b>	<b>78.23</b>

## 2.17 EQUITY SHARE CAPITAL

### A. Equity share capital

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Authorised</b>		
Equity Shares of ₹ 2/- each	16.00	16.00
Number of equity shares	8,00,00,000	8,00,00,000
<b>Issued, Subscribed &amp; Paid up</b>		
Equity Shares of ₹ 2/- each fully paid up		
At the beginning of the year		
Number of equity shares	6,04,99,050	6,04,99,050
Amount	12.10	12.10
Changes during the year		
Number of equity shares	Nil	Nil
Amount	Nil	Nil
At the end of the year		
Number of equity shares	6,04,99,050	6,04,99,050
<b>Total</b>	<b>12.10</b>	<b>12.10</b>

# Notes to the Financial Statements for the Year ended 31st March, 2023

## Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and payment of dividend to the preference shareholders.

## Shareholders holding more than 5% equity shares in the company

Name of shareholders	Number and % of holding as at 31st March, 2023	Number and % of holding as at 31st March, 2022
Diwakar Finvest Private Limited (Formerly Sneha Enclave Private Limited)	1,71,03,710 (28.27%)	1,71,03,710 (28.27%)
Suraj Finvest Private Limited (Formerly Sneha Gardens Pvt. Ltd)	1,45,26,450 (24.01%)	1,45,26,450 (24.01%)
Emami Limited	79,46,000 (13.13%)	79,46,000 (13.13%)

## Shares held by promoters at the end of the year

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Name of Promoter	No. of shares and % of total shares		No. of shares and % of total shares	
Diwakar Finvest Private Limited (Formerly Sneha Enclave Private Limited)	1,71,03,710	(28.27%)	1,71,03,710	(28.27%)
Suraj Finvest Private Limited (Formerly Sneha Gardens Pvt. Ltd)	1,45,26,450	(24.01%)	1,45,26,450	(24.01%)
Emami Limited	79,46,000	(13.13%)	79,46,000	(13.13%)
Priti A Sureka	15,20,926	(2.51%)	15,20,926	(2.51%)
Radheshyam Goenka	11,61,250	(1.92%)	11,61,250	(1.92%)
Rajkumar Goenka	8,19,200	(1.35%)	8,19,200	(1.35%)
Sushil Kumar Goenka	7,26,750	(1.2%)	7,26,750	(1.2%)
Santosh Goenka	2,39,550	(0.4%)	2,39,550	(0.4%)
Saroj Goenka	1,37,000	(0.23%)	1,37,000	(0.23%)
Amitabh Goenka	1,25,000	(0.21%)	1,25,000	(0.21%)
Ritu Goenka	1,24,813	(0.21%)	1,24,813	(0.21%)
Shruti Goenka	1,24,813	(0.21%)	1,24,813	(0.21%)
Amitabh Goenka Huf	1,24,812	(0.21%)	1,24,812	(0.21%)
Ashish Goenka Huf	1,24,812	(0.21%)	1,24,812	(0.21%)
Indu Goenka	1,11,400	(0.18%)	1,11,400	(0.18%)
Mohan Goenka	1,02,000	(0.17%)	1,02,000	(0.17%)
Sushil Kumar Goenka Huf	1,00,500	(0.17%)	1,00,500	(0.17%)
Manish Goenka	87,000	(0.14%)	87,000	(0.14%)
Ashish Goenka	75,000	(0.12%)	75,000	(0.12%)
Dhiraj Agarwal	25,000	(0.04%)	25,000	(0.04%)
Aditya Vardhan Agarwal	12,500	(0.02%)	12,500	(0.02%)
Harsha Vardhan Agarwal	10,750	(0.02%)	10,750	(0.02%)
Puja Goenka	10,500	(0.02%)	10,500	(0.02%)
Usha Agarwal	8,300	(0.01%)	8,300	(0.01%)
Radheshyam Agarwal	3,500	(0.01%)	3,500	(0.01%)
Pramod Bajoria	1,750	(0.003%)	1,750	(0.003%)
Laxmi Devi Bajoria	1,750	(0.003%)	1,750	(0.003%)
Shanti Devi Agarwal	1,750	(0.003%)	1,750	(0.003%)
Richa Agarwal	1,500	(0.002%)	1,500	(0.002%)

In the year 2022-23, there is no change in promoters' share-holding.

# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.18 CONVERTIBLE PREFERENCE SHARES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Authorised</b>		
Preference Share of ₹ 100/- each	61.25	61.25
Number of preference shares	61,25,000	61,25,000
<b>Issued, Subscribed &amp; Paid up</b>		
8% Non-Cumulative Redeemable Optionally Convertible Preference Shares of ₹ 100/- each fully paid up		
At the beginning of the year		
Number of preference shares	61,25,000	61,25,000
Face value	61.25	61.25
Fair value	243.52	243.52
Changes during the year		
Number of preference shares	-	-
Face value	-	-
Fair value	-	-
At the end of the year		
Number of preference shares	61,25,000	61,25,000
Face value	61.25	61.25
<b>Fair value</b>	<b>243.52</b>	<b>243.52</b>

### Terms and rights attached to preference shares

In the F.Y 2020-21, the company has changed the terms attached to existing 61,25,000 Redeemable Preference Shares bearing 8% cumulative dividend (CRNPS) after obtaining approval from preference shareholders as well as that from equity shareholders through e-voting ended on 26.03.2021, so as to alter those CRNPS into equal number of Optionally Convertible Preference Shares (OCRPS), which are convertible into fixed number of equity shares at the option of the company and bears 8% non-cumulative dividend. Those preference shares were issued in three series from 28.03.2013 to 17.09.2014 and convertible or redeemable after 12 years from their respective date of issue.

Out of total above, 50,00,000 OCRPS are convertible into 3 equity shares each at the option of the company or redeemable at a premium of ₹ 500 per share; and 11,25,000 OCRPS are convertible into 3.5 equity shares each at the option of the company or redeemable at a premium of ₹ 600 per share on the expiry of 12 years from the date of issue with an option to convert or redeem it earlier to be decided mutually between the Company and the OCRPS holders at a meeting of OCRPS holders called for this purpose.

Brief changes in the terms attached to Preference Shares are given hereunder: -

- i) Convertible into equity shares at the option of the company; conversion ratio is as below: -

Conversion year	No. of shares	Conversion ratio	Redemption value per share (₹)
2026-27	11,25,000	3.5 : 1	700
2026-27	7,50,000	3 : 1	600
2025-26	22,50,000	3 : 1	600
2024-25	20,00,000	3 : 1	600

The option available with the company to convert OCRPS into equity shares at the ratio given above is not exercisable on happening of knock-out-event, that is, if average market price of the equity shares during 26 weeks immediately preceding the redemption / conversion is less than ₹ 180/share. On happening of the knock-out-event, which has an extremely rare chance, the company has to redeem those Preference Shares at predetermined redemption value.



## Notes to the Financial Statements for the Year ended 31st March, 2023

- ii) Dividend rights attached to the preference shares are changed from cumulative to non-cumulative.
- iii) All other terms and conditions as were applicable to NCRPS would apply to OCRPS.

The preference shares with revised terms (OCRPS) are classified as equity measuring at its fair value and the debt that was carried at amortized cost towards CRNPS is extinguished. Difference between carrying value of CRNPS and fair value of OCRPS amounting to ₹ 72.46 crores was recognized in profit and loss statement under exceptional item in FY.2020-21.

The Company declares and pays dividends in Indian rupees on pro-rata basis from the date of allotment. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Holders of OCRPS have voting rights on matters pertaining to OCRPS.

In the event of liquidation of the Company before conversion or redemption of OCRPS, the holders of OCRPS will have priority over equity shares in the repayment of capital.

### Shareholders holding more than 5% preference shares in the company / Promoters holding

Name of shareholders	As at 31.03.2023		As at 31.03.2022	
	Number and % of holding		Number and % of holding	
Diwakar Finvest Private Limited (Formerly Sneha Enclave Private Limited)	28,49,750	(46.53%)	28,49,750	(46.53%)
Suraj Finvest Private Limited (Formerly Sneha Gardens Pvt. Ltd)	28,49,750	(46.53%)	28,49,750	(46.53%)

In the year 2022-23, there is no change in promoters' share-holding.

### 2.19 Other Equity

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital reserve	1.33	1.33
Securities premium	17.93	17.93
General reserve	140.00	140.00
Retained earning	254.28	199.69
Items of other comprehensive income (not re-classifiable to profit and loss)		
Fair value through other comprehensive income of equity investment	35.12	44.12
Remeasurement of defined benefit plans	(5.62)	(5.52)
Items of other comprehensive income (re-classifiable to profit and loss)		
Cash flow hedge reserve	0.06	(0.15)
<b>Total</b>	<b>443.10</b>	<b>397.40</b>

### 2.20 NON-CURRENT BORROWINGS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Secured loans</b>		
Term loans from banks	417.69	475.87
	<b>417.69</b>	<b>475.87</b>
Less: Current maturities of long term borrowings	142.42	128.30
<b>Total</b>	<b>275.27</b>	<b>347.57</b>

### Nature of Security

Non-current borrowings are secured by deposit of title deeds in respect of present and future immovable properties and hypothecation of present and future movable plant and equipment on a pari-passu basis and second charge on current assets on pari-passu basis except assets of Kolkata unit.

# Notes to the Financial Statements

for the Year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Terms of repayment of non-current borrowings</b>		
<b>Exim Bank</b>		
RTL repayable in quarterly installments from Mar'2022 to Jul'2024	18.60	33.48
RTL repayable in quarterly installment from Jul'2024 to Oct'2027	37.38	-
<b>IDBI Bank</b>		
ECB repayable in quarterly installments from Mar'2017 to Dec'2022	-	12.31
<b>Axis Bank</b>		
RTL repayable in quarterly installments from Jan'2022 to Jul'2023	13.49	37.38
<b>DCB Bank</b>		
RTL repayable in quarterly installments from Oct'2021 to Jul'2025	21.39	29.95
<b>IDFC Bank</b>		
FCNR(B) repayable in quarterly installments from Mar'2019 to Mar'2024	13.10	24.14
<b>ICICI Bank</b>		
RTL repayable in quarterly installments from Mar'2023 to Mar'2027	46.81	50.00
FCNR(B) repayable in quarterly installments from Jun'2019 to Sep'2024	22.63	41.19
RTL repayable in quarterly installments from Jun'2022 to Mar'2026	71.35	73.94
RTL repayable in quarterly installments from Sep'2023 to Sep'2027	67.37	-
FITL repayable in quarterly installments from Dec'2020 to Sep'2022	-	0.85
<b>Indusind Bank</b>		
RTL repayable in quarterly installments from Jan'2022 to Dec'2026	75.63	96.76
<b>SBM Ltd.</b>		
RTL repayable in quarterly installments from Feb'2022 to Sept'2022	-	45.87
<b>HDFC Bank</b>		
RTL repayable in quarterly installments from Jun'2023 to Mar'2027	29.95	30.00

## 2.21 OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Retention money	1.47	1.32
Trade deposits	5.66	5.57
Other payables	-	1.00
<b>Total</b>	<b>7.13</b>	<b>7.89</b>

## 2.22 NON-CURRENT PROVISIONS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		
Gratuity	17.87	15.76
Earned leave	1.05	0.64
<b>Total</b>	<b>18.92</b>	<b>16.40</b>

# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.23 DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred tax liabilities		
Difference in tax base of property, plant and equipment	131.28	122.02
Fair valuation of investment	3.14	3.96
Deferred tax assets		
Unabsorbed tax depreciation	-	(5.85)
Deferred allowances under Income Tax Act	(6.54)	(4.96)
<b>Net deferred tax liabilities</b>	<b>127.88</b>	<b>115.17</b>

## 2.24 DEFERRED REVENUE

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Import duty savings (EPCG) attributable to pending export obligation	5.36	3.85
<b>Total</b>	<b>5.36</b>	<b>3.85</b>

- i) Grants relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations.

## 2.25 CURRENT BORROWINGS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Secured</b>		
Loan repayable on demand from banks	164.53	187.14
Buyer's/suppliers' credit facilities from banks	101.18	40.21
Current maturities of long term borrowings	142.42	128.30
<b>Unsecured</b>		
Demand loan from banks	81.62	25.64
Buyer's/Suppliers' credit facilities from banks	93.39	-
Inter-corporate deposits	-	56.74
<b>Total</b>	<b>583.14</b>	<b>438.03</b>

### Nature of security

Short term borrowings are secured by hypothecation of present and future stock of materials, stock-in-progress, finished goods, stores and spares, book debts, outstanding money, claims receivable and further secured by way of second charge on all immovable and movable properties / fixed assets both present and future on a pari-passu basis except assets of Kolkata unit.

## 2.26 TRADE PAYABLES - TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
- Payables For Goods	3.26	1.85
- Payables For Services	7.30	3.57
- Payable to related parties	-	-
<b>Total</b>	<b>10.56</b>	<b>5.42</b>

# Notes to the Financial Statements

for the Year ended 31st March, 2023

## 2.27 TRADE PAYABLES - TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
- Payables For Goods	174.10	128.13
- Payables For Services	24.59	25.26
- Payable to related parties	-	-
<b>Total</b>	<b>198.69</b>	<b>153.39</b>

## TRADE PAYABLES AGEING SCHEDULE

(₹ in Crores)

As at March 31, 2023	Not due	(Outstanding for following periods from due date of payment)				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	10.56	-	-	-	-	10.56
Undisputed dues - Others	183.68	13.98	0.98	0.04	0.02	198.69
<b>Total trade payables</b>						<b>209.25</b>

## TRADE PAYABLES AGEING SCHEDULE

(₹ in Crores)

As at March 31, 2022	Not due	(Outstanding for following periods from due date of payment)				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	5.42	-	-	-	-	5.42
Undisputed dues - Others	152.34	0.98	0.04	0.00	0.02	153.39
<b>Total trade payables</b>						<b>158.81</b>

## 2.28 CURRENT DERIVATIVE LIABILITY

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest rate swap	-	0.25
Currency swap / forward cover / currency option	1.84	-
<b>Total</b>	<b>1.84</b>	<b>0.25</b>

## 2.29 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest accrued but not due	2.77	0.96
Accrued employee benefits	0.07	0.23
Unclaimed dividend	0.07	0.07
Retention money	0.11	-
Trade deposits	0.51	0.36
Outstanding liabilities for expenses	33.60	22.87
Other payables	-	0.05
<b>Total</b>	<b>37.13</b>	<b>24.54</b>

## 2.30 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance from customers	1.22	4.81
Statutory dues	6.56	4.94
<b>Total</b>	<b>7.78</b>	<b>9.75</b>

# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.31 CURRENT PROVISIONS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		
Gratuity	2.67	2.48
Earned leave	1.03	1.18
<b>Total</b>	<b>3.70</b>	<b>3.66</b>

## 2.32 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Sale of paper and paperboard	2,296.86	1,938.84
Other operating revenues		
Scrap sales	4.15	5.10
Export incentives	5.98	12.79
Others	1.12	0.98
<b>Total</b>	<b>2,308.11</b>	<b>1,957.71</b>

## 2.33 OTHER INCOME

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Dividend income	0.75	0.75
Insurance claim	0.93	0.31
Interest	0.17	0.35
Profit on disposal of property, plant and equipment	0.12	-
Profit on Sale of current investments	0.01	-
Others	0.48	0.64
<b>Total</b>	<b>2.46</b>	<b>2.05</b>

## 2.34 COST OF MATERIAL CONSUMED

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Pulp and waste paper	1,478.39	1,089.12
Chemicals	183.24	147.34
Packing materials	34.44	29.72
<b>Total</b>	<b>1,696.07</b>	<b>1,266.18</b>

## 2.35 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Inventories at the beginning of the year		
Finished goods	15.90	14.78
Work-in-progress	6.79	5.73
<b>Total (A)</b>	<b>22.69</b>	<b>20.51</b>
Inventories at the end of the year		
Finished goods	25.41	15.90
Work-in-progress	12.09	6.79
<b>Total (B)</b>	<b>37.50</b>	<b>22.69</b>
<b>(Increase) / Decrease [A - B]</b>	<b>(14.81)</b>	<b>(2.18)</b>

# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.36 POWER AND FUEL

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Consumption of coal	128.27	107.41
Grid power	36.52	12.40
<b>Total</b>	<b>164.79</b>	<b>119.81</b>

## 2.37 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries and wages	70.73	68.92
Contribution to provident and other funds	4.44	4.46
Staff welfare expenses	5.34	5.57
<b>Total</b>	<b>80.51</b>	<b>78.95</b>

## 2.38 FINANCE COSTS

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest expenses on borrowings	54.47	64.04
Other interest	0.36	0.49
Exchange	3.61	8.64
Bank charges and other borrowing costs	4.99	9.59
<b>Total</b>	<b>63.43</b>	<b>82.76</b>

## 2.39 OTHER EXPENSES

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Consumption of stores and spares	30.13	30.02
Rent	0.82	0.65
Repairs to buildings	0.42	0.49
Repairs to plant and machinery	5.35	4.58
Repair to others	1.56	0.36
Insurance	5.46	4.76
Manufacturing expenses	31.22	26.14
Freight outward (net)	11.46	53.98
Selling expenses	26.85	23.69
Donation	0.33	0.48
Directors' sitting fee	0.25	0.13
Rates and taxes	14.81	16.58
Foreign exchange fluctuation	13.17	6.46
Loss on disposal of property, plant and equipment	-	0.08
CSR expenditures	1.07	0.83
Miscellaneous expenses	16.99	11.80
<b>Total</b>	<b>159.89</b>	<b>181.03</b>



# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.40 CURRENT TAX

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Current income tax for the year	10.43	-
<b>Total</b>	<b>10.43</b>	<b>-</b>

## 2.41 DEFERRED TAX

(₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Deferred tax for the year	13.50	38.59
<b>Total</b>	<b>13.50</b>	<b>38.59</b>
<b>Reconciliation of estimated income tax to income tax expense is as below:</b>		
<b>Profit/(loss) before tax</b>	<b>93.10</b>	<b>153.39</b>
Enacted tax rate	0.25	0.25
Expected income tax expense at statutory income tax rate	23.43	38.61
a) Non-deductible expenses	0.31	(0.02)
b) Effect of assessment on deferred tax	0.19	-
<b>Tax expenses reported</b>	<b>23.93</b>	<b>38.59</b>
Current tax	10.43	-
Deferred tax	13.50	38.59
<b>Total tax expenses as per profit and loss statement</b>	<b>23.93</b>	<b>38.59</b>

## 2.42 EMPLOYEE BENEFITS

The Company's obligation towards the gratuity fund and leave encashment fund are defined Benefit Plans. The details of actuarial valuation are given below -

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Particulars	2022-23		2021-22	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Funded	Funded	Funded
<b>I.</b>	<b>Change in present value of obligation during the year</b>				
	Present value of obligation at the beginning of the year	20.52	4.74	18.15	4.15
	<b>Included in profit and loss:</b>				
	- Current Service Cost	1.71	0.54	1.32	0.53
	- Interest Cost	1.42	0.33	1.10	0.25
	- Past Service Cost	-	-	-	-
	- Actuarial (Gain)/Loss	-	(0.41)	-	0.48
	<b>Included in OCI:</b>				
	Actuarial losses/(gains) arising from:				
	- Experience adjustments	0.52	-	3.16	-
	- Financial assumption	(0.44)	-	(0.64)	(0.12)
	<b>Others</b>				
	Benefits Paid	(2.07)	(0.21)	(2.57)	(0.55)
	<b>Present Value of obligation as at year end</b>	<b>21.66</b>	<b>4.99</b>	<b>20.52</b>	<b>4.74</b>
	Current Liabilities	2.67	1.03	2.48	1.18
	Non-Current Liabilities	18.99	3.96	18.04	3.56
	<b>Total Liability</b>	<b>21.66</b>	<b>4.99</b>	<b>20.52</b>	<b>4.74</b>
<b>II.</b>	<b>Change in Fair Value of Plan Assets during the year</b>				
	Plan assets at the beginning of the year	2.28	2.92	4.68	2.93

# Notes to the Financial Statements

for the Year ended 31st March, 2023

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Particulars	2022-23		2021-22	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Funded	Funded	Funded
	<b>Included in profit and loss:</b>				
	Interest Income	0.16	0.20	0.22	0.18
	Expected return on plan assets	-	-	-	0.02
	<b>Included in OCI:</b>				
	- Actuarial (Gain)/Loss on plan assets	(0.06)	-	(0.06)	-
	<b>Others:</b>				
	Employer's contribution	0.80	-	-	-
	Benefits Paid	(2.07)	(0.21)	(2.57)	(0.21)
	<b>Plan assets at the end of the year</b>	<b>1.11</b>	<b>2.92</b>	<b>2.28</b>	<b>2.92</b>
	<b>Weighted Average Asset Allocations at the year end</b>				
	Equities	-	-	-	-
	Bonds	-	-	-	-
	Gilts	-	-	-	-
	Insurance Policies	100%	100%	100%	100%
	<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>III.</b>	<b>Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets</b>				
	1. Present Value of obligation as at year-end	21.66	4.99	20.52	4.74
	2. Fair Value of plan assets at year end	1.11	2.92	2.28	2.92
	3. Funded status [Surplus/(Deficit)]	(20.55)	(2.07)	(18.24)	(1.82)
	<b>Net Asset/(Liability)</b>	<b>(20.55)</b>	<b>(2.07)</b>	<b>(18.24)</b>	<b>(1.82)</b>
<b>IV.</b>	<b>Expenses recognised in the Statement of Profit and Loss</b>				
	Current Service Cost	1.71	0.54	1.32	0.53
	Interest Cost	1.42	0.33	1.10	0.25
	Past Service Cost	-	-	-	-
	Actuarial (Gain)/Loss	-	(0.41)	-	0.48
	Expected return on plan assets	(0.16)	(0.20)	(0.22)	(0.20)
	<b>Total Expense</b>	<b>2.97</b>	<b>0.25</b>	<b>2.20</b>	<b>1.06</b>
<b>V.</b>	<b>Expenses recognised in the Statement of Other Comprehensive Income</b>				
	Net Actuarial (Gain)/Loss	0.08	-	2.52	(0.12)
	Expected return on plan assets excluding interest income	0.06	-	0.06	-
	<b>Total Expense</b>	<b>0.14</b>	<b>-</b>	<b>2.57</b>	<b>(0.12)</b>
<b>VI.</b>	<b>Actuarial Assumptions</b>				
	Discount Rate	7.15%	7.15%	6.90%	6.90%
	Salary Escalation - First Year	6.00%	6.00%	6.00%	6.00%
	Salary Escalation - After First Year	6.00%	6.00%	6.00%	6.00%
	Expected Rate of Return on Plan Assets	7.15%	7.15%	6.90%	6.90%
	Mortality Table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

**VII. The best estimate contribution for the next year would be ₹ 1.78 Crores for Gratuity and ₹ 0.66 Crores for Leave Encashment.**

# Notes to the Financial Statements for the Year ended 31st March, 2023

## VIII. Experience Adjustments

Particulars	Year ended 31.03.23		Year ended 31.03.22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
(Gain) / Loss on Plan Liabilities	0.52	-	3.16	-
% of Opening Plan Liabilities	2.56%	0.00%	17.42%	0.00%
Gain / (Loss) on Plan Assets	(0.06)	-	(0.06)	-
% of Opening Plan Assets	-2.55%	0.00%	-1.19%	0.00%

## IX. Sensitivity Analysis

Gratuity	Year ended 31.03.23		Year ended 31.03.22	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.87)	1.62	(1.45)	1.68
Future salary growth (1% movement)	1.66	(1.87)	1.64	(1.45)
Withdrawal Rates (1% movement)	0.32	(0.25)	0.08	(0.12)

Leave Encashment	Year ended 31.03.23		Year ended 31.03.22	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.35)	0.31	(0.28)	0.32
Future salary growth (1% movement)	0.34	(0.39)	0.32	(0.27)
Withdrawal Rates (1% movement)	0.06	(0.05)	0.01	(0.01)

## X. Maturity Profile of Defined Benefit Obligations

Year	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Funded	Funded	Funded
1 Year	2.67	1.03	2.48	1.18
2 to 5 Years	7.40	1.40	8.04	1.39
6 to 10 Years	10.07	2.70	13.02	2.09

## 2.43 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crores)

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>A.</b>	<b>CONTINGENT LIABILITIES</b>		
	Claims against the Company not acknowledged as debts (Net of Advances) :		
	Sales tax matters	0.19	0.19
	Entry tax matters	3.27	3.05
	Excise duty, service tax, GST and customs duty matters	1.07	1.17
	<b>Total</b>	<b>4.53</b>	<b>4.41</b>

# Notes to the Financial Statements for the Year ended 31st March, 2023

- B.** Contingent liabilities disclosed above represent possible obligations that has arisen from past events and where the likelihood of an outflow of resources depends upon occurrence or non-occurrence of uncertain future event(s).

In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations and financial conditions.

Outstanding guarantees and letters of credit furnished by the bankers on behalf of the Company	93.19	132.22
<b>C. COMMITMENTS</b>		
<b>Capital commitments</b>		
Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	9.80	4.90
<b>Total</b>	<b>9.80</b>	<b>4.90</b>

## 2.44 Related party disclosures

### Related Parties with whom transactions have taken place during the year

<b>a. Key Management Personnel</b>
Shri A.V. Agarwal, Executive Chairman
Shri Manish Goenka, Whole Time Director
Shri P.S. Patwari, Executive Director (Upto 31.03.2023)
Shri Vivek Chawla, Whole Time Director & CEO
Shri S.K.Khetan, Director (Operations ) & CFO (Upto 31.05.2022)
Shri G.Saraf,V.P. (Finance) & Company Secretary (Upto 01.06.2021)
Shri Debendra Banthiya, Company Secretary (w.e.f. 02.06.2021)
Shri Mukesh Kumar Agarwal (Interim CFO) (w.e.f. 28.11.2022)
<b>Other</b>
Shri S. Balasubramanian, Independent Director
Shri H. M. Marda, Independent Director
Shri J.K. Khetawat, Independent Director
Smt Richa Agarwal, Non Executive Director
Smt Mamta Binani, Independent Director
Shri Amit Kiran Deb, Independent Director (w.e.f. 20.01.2022)
Shri Sumit Banerjee, Independent Director (w.e.f. 20.01.2022)
Late J. N. Godbole, Independent Director (Upto 04.01.2022)
Shri Shymalendu Chatterjee, Independent Director (Upto 22.10.2021)
<b>b. Relatives of Key Management Personnel</b>
Shri R.S. Agarwal
Smt. Usha Agarwal
Shri Harsha Vardhan Agarwal
Smt Preeti Sureka
Shri R.S. Goenka
Smt. Saroj Goenka
Shri Mohan Goenka
Shri Shyam Patwari
<b>c. Enterprise where Key Management Personnel and their relatives are able to exercise significant influence</b>
Emami Limited
Emami Capital Market Limited (Merged with Midkot Investment Pvt Ltd w.e.f 09.12.2021)
Diwakar Finvest Private Limited (Formerly Sneha Enclave Private Limited till 30.12.2022)
Pan Emami Cosmed Ltd (Merged with Midkot Investment Pvt Ltd. w.e.f. 09.12.2021)
Premier Ferro Alloys & Securities Limited
Emami Art ( Unit of Dev Infracity Pvt.Ltd)
Suraj Finvest Private limited
Madhvi Exim Pvt Ltd
Midkot Investment Pvt Ltd. w.e.f. 09.12..2021

# Notes to the Financial Statements for the Year ended 31st March, 2023

## Disclosure of transactions between the Company and related parties

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Enterprise described in (c) above		Total	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Remuneration to Key Management Personnel	-	-	-	-	-	-	-	-
- Short Term Employment benefits*	12.66	13.53	-	-	-	-	12.66	13.53
- Post Employment benefits	4.78	-	-	-	-	-	4.78	-
Sitting Fees Paid to Independent Director	0.25	0.13	-	-	-	-	0.25	0.13
Rent Maintenance & Other Charges Payable ( Emami Limited)	-	-	-	-	0.85	0.50	0.85	0.50
Sale of Painting and Other Charges (Emami Art- Unit of Dev Infracity Pvt. Ltd.)	-	-	-	-	-	0.02	-	0.02
Salary Paid (Mr. Shyam Patwari)	-	-	-	0.23	-	-	-	0.23
Reimbursement for SAP maintenance ( Emami Limited)	-	-	-	-	0.61	0.54	0.61	0.54
Royalty and Subscription Charges Paid (Emami Limited)	-	-	-	-	0.80	0.16	0.80	0.16
Interest Paid	-	-	-	-	0.78	6.62	0.78	6.62
Dividend Paid	0.02	-	0.91	-	11.09	8.88	12.02	8.88
Dividend Received ( Emami Limited)	-	-	-	-	0.75	0.75	0.75	0.75
Rent Received ( Emami Limited)	-	-	-	-	0.16	0.16	0.16	0.16
Commission to Madhvi Exim Pvt Ltd	-	-	-	-	0.46	0.57	0.46	0.57
Balance as on 31st March	-	-	-	-	-	-	-	-
- Investment -Emami Ltd	-	-	-	-	33.44	41.78	33.44	41.78
- Investment -Midkot Investment Pvt. Ltd.	-	-	-	-	5.38	6.87	5.38	6.87
- Security Deposit Given - Emami Ltd	-	-	-	-	0.08	0.08	0.08	0.08
- Security Deposit received	-	-	-	-	0.03	0.03	0.03	0.03
Employment benefit payable	2.62	-	-	-	-	-	2.62	-
Inter Corporate Deposit Payable**	-	-	-	-	-	56.74	-	56.74
Creditor- Commission Payable to Madhvi Exim Pvt Ltd	-	-	-	-	0.01	0.20	0.01	0.20

\* Post employment benefits, which are actuarially determined on overall basis are not separately provided.

\*\* Inter Corporate deposit is unsecured in nature and is repayable on demand.

# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.45 DISCLOSURES ON FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on Balance Sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2(i) to the financial statements.

### CAPITAL MANAGEMENT

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings and issue of convertible/non-convertible debt securities.

#### (a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2023 and 31st March, 2022.

#### As at 31st March, 2023

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Amortised cost	Fair Value through other comprehensive income	Derivative instruments designated as hedging	Derivative instruments not designated as hedging	Fair Value through statement of profit and loss	Total carrying value	Total fair value
<b>Financial assets:</b>							
Cash and bank balances	0.34	-	-	-	-	0.34	0.34
Trade receivables	262.57	-	-	-	-	262.57	262.57
Investments	0.01	38.83	-	-	-	38.84	38.84
Derivatives	-	-	0.13	-	-	0.13	0.13
Loans	0.58	-	-	-	-	0.58	0.58
Other financial assets	5.25	-	-	-	-	5.25	5.25
	<b>268.75</b>	<b>38.83</b>	<b>0.13</b>	-	-	<b>307.71</b>	<b>307.71</b>
<b>Financial liabilities:</b>							
Trade and other payables	209.25	-	-	-	-	209.25	209.25
Borrowings	858.41	-	-	-	-	858.41	858.41
Derivatives	-	-	1.84	-	-	1.84	1.84
Other financial liabilities	44.26	-	-	-	-	44.26	44.26
	<b>1,111.92</b>	-	<b>1.84</b>	-	-	<b>1,113.76</b>	<b>1,113.76</b>

#### As at 31st March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Amortised cost	Fair Value through other comprehensive income	Derivative instruments designated as hedging	Derivative instruments not designated as hedging	Fair Value through statement of profit and loss	Total carrying value	Total fair value
<b>Financial assets:</b>							
Cash and bank balances	1.75	-	-	-	-	1.75	1.75
Trade receivables	217.66	-	-	-	-	217.66	217.66
Investments	0.01	48.66	-	-	-	48.67	48.67
Derivatives	-	-	-	-	-	-	-
Loans	0.34	-	-	-	-	0.34	0.34
Other financial assets	4.08	-	-	-	-	4.08	4.08
	<b>223.84</b>	<b>48.66</b>	-	-	-	<b>272.50</b>	<b>272.50</b>



# Notes to the Financial Statements for the Year ended 31st March, 2023

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Amortised cost	Fair Value through other comprehensive income	Derivative instruments designated as hedging	Derivative instruments not designated as hedging	Fair Value through statement of profit and loss	Total carrying value	Total fair value
<b>Financial liabilities:</b>							
Trade and other payables	158.81	-	-	-	-	158.81	158.81
Borrowings	785.60	-	-	-	-	785.60	785.60
Derivatives	-	-	0.19	0.06	-	0.25	0.25
Other financial liabilities	32.43	-	-	-	-	32.43	32.43
	<b>976.84</b>	<b>-</b>	<b>0.19</b>	<b>0.06</b>	<b>-</b>	<b>977.09</b>	<b>977.09</b>

(b) (All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at 31.03.2023	As at 31.03.2022
Net gain/(loss) on financial assets and liabilities measured at fair value through profit and loss	(1.74)	(1.94)

## 2.46 FINANCIAL RISK MANAGEMENT

The company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has established a Risk Management system, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

### A. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2023 and 31st March, 2022. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

# Notes to the Financial Statements

for the Year ended 31st March, 2023

(₹ in crores)

Particulars	Carrying amount	Undiscounted Amount		
		Payable within 1 year	More than 1 years	Total
<b>As at 31st March, 2023</b>				
<b>Non-derivative liabilities</b>				
Trade payables	209.25	209.25	-	209.25
Borrowings	612.26	336.99	275.27	612.26
Borrowings - Repayable on demand	246.15	246.15	-	246.15
Security deposits	6.17	0.51	5.66	6.17
Others	38.09	36.62	1.47	38.09
<b>Derivative liabilities</b>				
Swaps/Forward cover/Options	1.84	1.84		1.84

(₹ in crores)

Particulars	Carrying amount	Undiscounted Amount		
		Payable within 1 year	More than 1 years	Total
<b>As at 31st March, 2022</b>				
<b>Non-derivative liabilities</b>				
Trade payables	158.81	158.81	-	158.81
Borrowings	516.08	168.51	347.57	516.08
Borrowings - Repayable on demand	269.52	269.52	-	269.52
Security deposits	5.93	0.36	5.57	5.93
Others	26.50	24.18	2.32	26.50
<b>Derivative liabilities</b>				
Swaps/Forward cover/Options	0.25	0.25	-	0.25

## B. MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;
- price risk; and
- interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors.

### (i) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### a) Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

## Notes to the Financial Statements for the Year ended 31st March, 2023

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates. The risks primarily relate to fluctuations in U.S. dollar, Euro and GBP against the functional currencies of the Company.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. Any weakening of the functional currency may impact the Company's imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in accordance with its risk management policies.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%.

**The following table sets forth information relating to foreign currency exposure as at 31st March, 2023:**

(₹ in crores)

	U.S. dollar	Euro	GBP	Total
a) Financial assets	18.38	2.91	-	21.30
b) Financial liabilities	386.13	0.55	-	386.68

1% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately ₹ 0.21 crores and ₹ 0.12crores for financial assets and financial liabilities respectively for the year ended 31st March, 2023.

**The following table sets forth information relating to foreign currency exposure as at 31st March, 2022:**

(₹ in crores)

	U.S. dollar	Euro	GBP	Total
a) Financial assets	89.10	0.33	-	89.43
b) Financial liabilities	265.16	0.30	-	265.46

1% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately ₹0.89 crores and ₹ 2.65 crores for financial assets and financial liabilities respectively for the year ended 31st March, 2022.

### b) Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

#### Interest Rate Risk Exposure

Particulars	As at 31.03.2023		As at 31.03.2022	
	(₹ in Crores)	% of Total	(₹ in Crores)	% of Total
Fixed Rate Borrowings	304.92	36%	347.57	44%
Variable Rate Borrowings	553.50	64%	438.03	56%
<b>Total Borrowings</b>	<b>858.41</b>	<b>100%</b>	<b>785.60</b>	<b>100%</b>

#### Sensitivity on variable rate borrowings

Particulars	As at 31.03.2023		As at 31.03.2022	
	(₹ in Crores)	% of Total	(₹ in Crores)	% of Total
Interest rate increase by 0.25%	(1.38)	(1.10)	(1.38)	(1.10)
Interest rate decrease by 0.25%	1.38	1.10	1.38	1.10

# Notes to the Financial Statements for the Year ended 31st March, 2023

## c) Equity Price risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income.

The fair value of Company's investment in quoted equity securities as at 31st March, 2023 and 31st March, 2022 was ₹ 33.45 crores, and ₹41.79 crores, respectively. A 10% change in equity price as at 31st March, 2023 and 31st March, 2022 would result in an impact of ₹ 3.35 crores and ₹4.18 crores, respectively.

(Note: The impact is indicated on equity before consequential tax impact, if any).

## (ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

### Trade receivables

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

### Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in treasury bills, government securities, money market liquid mutual funds and derivative instrument with financial institutions. The Company has set counter-parties limits based on multiple factors including financial position, credit rating, etc.

The Company's maximum exposure to credit risk as at 31st March, 2023 and 31st March, 2022 is the carrying value of each class of financial assets.

## C. CAPITAL RISK MANAGEMENT

The Company's policy is to maintain an adequate capital base with the objective to create value for the shareholders along with maintaining creditor and market confidence. Capital includes issued capital, share premium and all other equity reserves attributable to be equity holders. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be.

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at 31.03.2023	As at 31.03.2022
Borrowings	858.41	785.60
Less: Cash and cash equivalents including bank balance	0.34	1.75
<b>Net debt</b>	<b>858.07</b>	<b>783.85</b>
Equity	698.72	653.02
<b>Capital and Net debt</b>	<b>1,556.79</b>	<b>1,436.87</b>
Gearing Ratio	55%	55%

# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.47 CARRYING VALUE AND FAIR VALUE OF FINANCIAL INSTRUMENTS IS AS FOLLOWS

(₹ in crores)

Particulars	Total Carrying Value		Total Fair Value	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
<b>Financial Assets :</b>				
Investments in equity instruments	33.45	48.66	33.45	48.66
Investments in preference shares	5.38	-	5.38	-
Loans	0.58	0.34	0.58	0.34
Trade Receivables	262.57	217.66	262.57	217.66
Cash and Cash Equivalents	0.12	0.16	0.12	0.16
Other Financial Assets	5.61	5.68	5.61	5.68
<b>Total</b>	<b>307.71</b>	<b>272.50</b>	<b>307.71</b>	<b>272.50</b>
<b>Financial Liabilities :</b>				
Borrowings	858.41	785.60	858.41	785.60
Trade & Other Payables	209.25	158.81	209.25	158.81
Other Financial Liabilities	46.10	32.68	46.10	32.68
<b>Total</b>	<b>1,113.76</b>	<b>977.09</b>	<b>1,113.76</b>	<b>977.09</b>

## 2.48 FAIR VALUE HIERACHY

Level 1 - Quoted Prices (Unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following tables presents fair value hierachy of assets and liabilities measured at fair value on a recurring basis -

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at 31.03.2023	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets :</b>				
Investments in equity instruments	33.45	33.45	-	-
Investments in preference shares	5.38	-	-	5.38
Derivative financial instruments	0.13	-	0.13	-
<b>Liabilities :</b>				
Derivative financial instruments	1.84	-	1.84	-

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at 31.03.2022	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets :</b>				
Investments in equity instruments	48.66	41.79	-	6.87
Investments in preference shares	-	-	-	-
Derivative financial instruments	-	-	-	-
<b>Liabilities :</b>				
Derivative financial instruments	0.25	-	0.25	-

# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.49 DETAILS RELATED TO CSR ACTIVITIES

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Amount required to be spent by the company during the year	0.89	0.40
Amount of expenditure incurred	1.07	0.83
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	N.A.	N.A.
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NIL	NIL
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	N.A.	N.A.

## 2.50 DISCLOSURES REQUIRED UNDER THE MICRO SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT.

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under Section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Principal amount and Interest due thereon remaining unpaid to any supplier as on	NIL	NIL
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	NIL	NIL
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	NIL	NIL
The amount of interest accrued and remaining unpaid.	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under this Act.	NIL	NIL

## 2.51 EARNINGS PER SHARE (EPS)

### BASIC EARNINGS PER SHARE (EPS)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Net Profits after tax (₹ in crore)	69.17	114.80
Less: Preference Dividend	4.90	4.90
Net Profit/ (Loss) after Tax available to Equity Shareholders	64.27	109.90
Number of equity shares (Nos. in crore)	6.05	6.05
Basic earnings per share (in ₹)	10.62	18.17
Nominal Value per share (₹)	2.00	2.00

### DILUTED EARNINGS PER SHARE (EPS)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Net Profit/ (Loss) after Tax available to Equity Shareholders	64.27	109.90
Add: Preference Dividend	4.90	4.90
Net Profit/ (Loss) after Tax available to Equity Shareholders and Potential Equity Shares	69.17	114.80
Weighted Average number of Equity Shares and Potential Equity Shares	7.94	7.94
Diluted earnings per share (in ₹)	8.71	14.45
Nominal Value per share (₹)	2.00	2.00



# Notes to the Financial Statements for the Year ended 31st March, 2023

## 2.52 PAYMENT TO AUDITORS

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>As auditors</b>		
Audit fee	0.18	0.18
<b>In other capacity</b>		
<b>To statutory auditors</b>		
For Tax Audit	0.03	-
For Certification & Consultancy	0.02	0.04
<b>Total</b>	<b>0.23</b>	<b>0.22</b>

**2.53** The Company's business activity falls within a single primary business segment which is "Manufacture of Paper and Paper Board" and the Company primarily operates in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

## 2.54 Financial ratios:

Ratio	Numerator	Denominator	F.Y. 2022-23	F.Y. 2021-22	% Variance	Remarks for variance
Current ratio (in times)	Current Assets	Current Liabilities	0.92	0.83	10.81%	
Debt-equity ratio (in times)	Total Debt	Shareholder's equity	1.23	1.20	2.12%	
Debt service coverage ratio (in times)	EBITDA	Debt service obligation	1.17	1.03	14.35%	
Inventory turnover ratio (in times)	Turnover	Average inventory	8.51	10.94	-22.23%	
Trade receivables turnover ratio (in times)	Turnover	Average trade receivables	9.61	9.35	2.78%	
Trade payables turnover ratio (in times)	Cost of goods and services	Average trade payables	10.61	8.93	18.79%	
Net capital turnover ratio (in times)	Turnover	Working capital	34.47	18.21	89.33%	Ratio improved as turnover of the company has increased.
Net profit ratio (%)	Net profit after tax	Turnover	3.00%	5.86%	-48.89%	Profitability ratios declined as during the year there was sharp cyclic increase in cost of inputs, which was beyond absorption capacity of sales revenue.
Return on equity (%)	Profit after preference dividend	Average shareholders equity	12.63%	32.53%	-61.19%	
Return on capital employed (%)	Earning before interest and tax	Capital employed	17.42%	24.84%	-29.86%	
Return on investment (%)	-	-	-	-		

**2.55** Operation at Gulmohar unit has remained suspended since March 2020 due to various reasons beyond the control of the management. The Board of Directors have approved closure of the unit and accordingly, the company has obtained factory license cancellation from the Directorate of Factories, GoWB. Gulmohar unit comprises of about 5% of the overall production capacity of the company and its closure does not have any material impact on the operation of the company. All the staffs and workers including contractual workers had been mutually separated through Voluntarily Retirement Scheme and the company is exploring the possible ways of utilizing the land, building, machineries and other asstes of Gulmohar Unit.

**2.56** The Company had foreign exchange earnings from export of ₹ 269.23 crores during the F.Y. 2022-23 (last year - ₹ 560.97 crores).

# Notes to the Financial Statements for the Year ended 31st March, 2023

**2.57** Other Information in terms of the amendment in Schedule III of the Companies Act vide notification G.S.R. 207(E) dated 24th March 2021.

- a) The Company does not have any transactions with companies which are struck off under Section 288 of the Companies Act 2013 or Section 560 of Companies Act, 1956 during the financial year.
- b) The Company does not have any benami property, and no proceeding has been initiated or pending against the Company for holding any benami property.
- c) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- d) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - i) 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
  - ii) Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries.
- e) The Company has not received any fund from any Person(s) or Entity(ies), including Foreign Entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - i) 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
  - ii) Provide any Guarantee, Security, or the like on behalf of the ultimate beneficiaries.
- f) Quarterly stock statements filed with the banks are in agreement with the books of accounts.
- g) The Company has no such transaction which is not recorded in the Books of Accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h) The Company has not been declared willful defaulter by any Banks or any other Financial Institution at any time during the financial year.

**2.58** Vide Order of the Hon'ble National Company Law Tribunal ("NCLT") order No. C.P. (CAA) No. 89/KB/2021 connected with C.A. (CAA) No. 1237/KB/2020 dated 15/11/2021 ("Order"), Pan Emami Cosmed Limited, Emami Capital Markets Ltd., TMT Viniyogan Ltd., Newway Constructions Ltd., Karan Business Pvt. Ltd., Zen Business Pvt. Ltd., Sundew Finance Private Limited, Medal Chemical & Research Works Ltd., Sneha Abasan Pvt. Ltd., Sneha Niketan Pvt. Ltd., Ramshila Enterprise Pvt. Ltd., and EFL Foods Limited ("Transferor Companies") have been amalgamated into and with Midkot Investments Private Limited ("Company"), with the appointed date of closing hours of business on 31st March, 2020, and effective date is 9th December, 2021.

As on 31st March, 2022, the Company was holding 3,07,300 nos. of equity shares of face value of ₹ 10/- each of Pan Emami Cosmed Limited. Pursuant to the said scheme of amalgamation, during current financial year the Company while exercising its option has opted for 3,07,300 nos. of Class B Optionally Convertible Redeemable Preference Shares (OCRP's) of face value of ₹ 10/- each of Midkot Investments Private Limited.

**2.59** The Board of Directors has recommended a dividend of ₹ 1.60/- per equity share (80%) having face value of ₹ 2/- each a ₹ 8/- per preference shares (8%) having face value of ₹ 100/- each for the financial year 2022-23.

**2.60** Corresponding figures of the previous period have been regrouped/ rearranged wherever necessary.

## The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

### For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 306033E/ E300272

### Sandeep Agrawal

Partner

Membership No. - 058553

Place: Kolkata

Date: 26th May, 2023

### For and on behalf of the Board

### Aditya V. Agarwal

Executive Chairman

DIN : 00149717

### Mukesh Kumar Agarwal

Asst. Vice President (Finance)

& Interim CFO

### Manish Goenka

Whole-time Director

DIN : 00363093

### D Banthiya

Company Secretary

M.No. : F - 7790

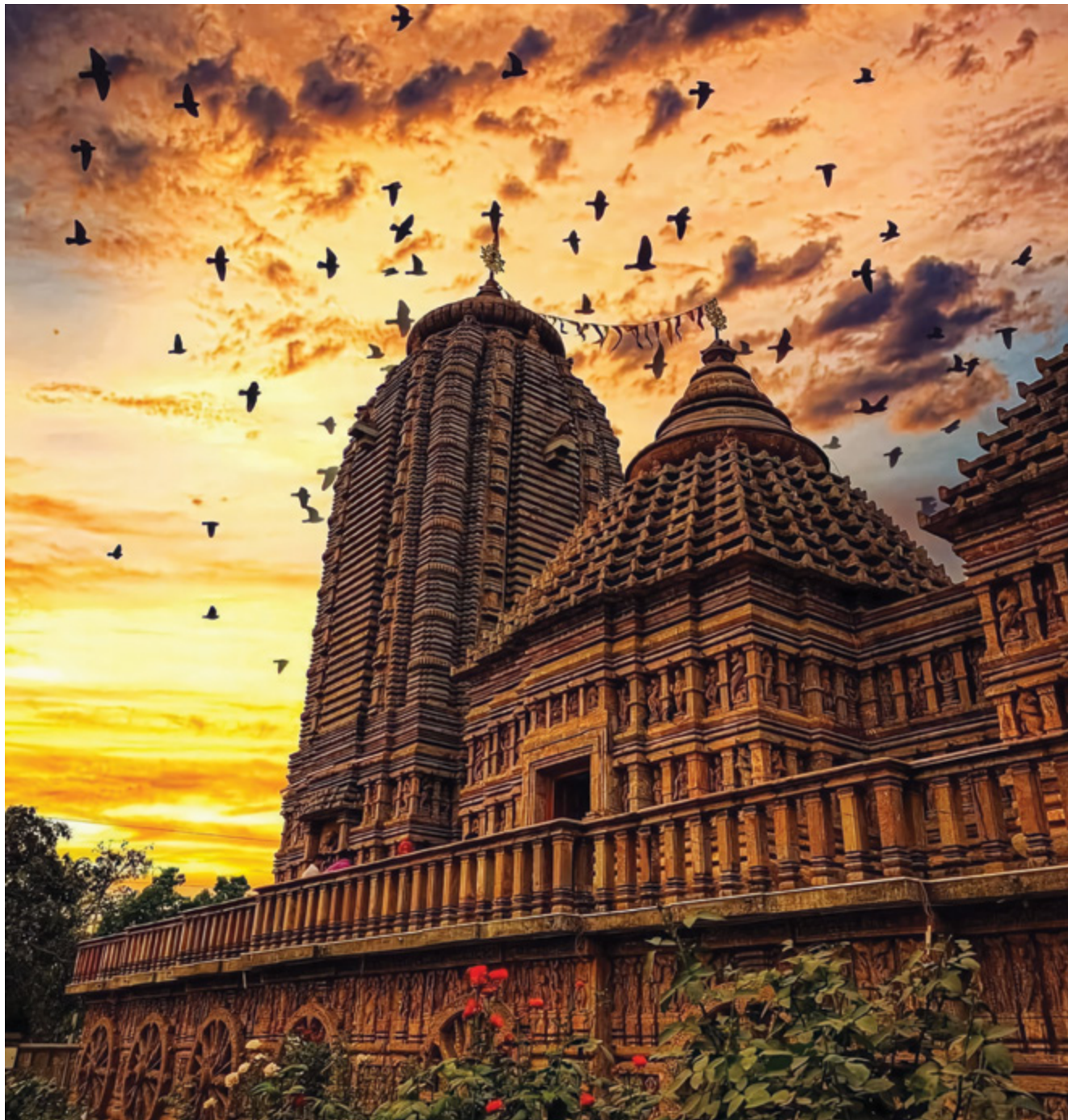
### Vivek Chawla

Whole-time Director & CEO

DIN : 02696336

## Notes

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Glimpse of the **Shree Shree Jagannath Mandir**, Emami Nagar, Balgopalpur, Balasore, Odisha



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