

July 15, 2022

The Secretary  
 BSE Limited  
 Corporate Relationship Department, 1<sup>st</sup> floor  
 New Trading Ring, Rotunda Building,  
 P.J. Tower, Dalal Street, Fort  
 Mumbai-400001  
**BSE Scrip Code: 502420**

The Manager  
 Listing Department  
 National Stock Exchange of India Ltd  
 Exchange Plaza, C-1, Block G,  
 Bandra-Kurla Complex  
 Bandra (E) Mumbai-400051  
**NSE Scrip Code: ORIENTPPR**

Dear Sir,

**Sub: Notice of Annual General Meeting and Annual Report for the financial year 2021-22**

We wish to inform you that **86<sup>th</sup> Annual General Meeting (AGM)** of the Company will be held on **Wednesday, 10<sup>th</sup> August, 2022** through **Video Conferencing (VC) / other Audio-Visual Means (OAVM)**.

In terms of the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith Annual Report of the Company for the financial year 2021-22 along with Notice of AGM which is being circulated to the shareholders of the company through electronic mode.

In this connection, the Register of Members and Share Transfer Books will be closed from **4<sup>th</sup> August, 2022 to 10<sup>th</sup> August, 2022 (both days inclusive)** for the purpose of payment of dividend @ Re. 0.25 (25%) per share on 212185502 Equity shares of Re.1/- each as recommended by the Board of Directors of the Company at its meeting held on 29<sup>th</sup> May, 2022. The dividend will be paid subject to the approval of the Shareholders.


The Annual Report and Notice of AGM are also being uploaded on the company's website i.e. [www.orientpaperindia.com](http://www.orientpaperindia.com).

Brief details of 86<sup>th</sup> AGM of the Company are as follows:

Date and time of AGM	Wednesday, 10 <sup>th</sup> August, 2022 at 11 AM
Mode	Video conference (VC) /other audio- visual means (OAVM)
Web-link for participation through video Conferencing	<a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>
Cut-off date for e-voting	Wednesday, 3 <sup>rd</sup> August, 2022
E-voting start date and time	Sunday, 7 <sup>th</sup> August, 2022 9.00 AM IST
E-voting end date and time	Tuesday, 9 <sup>th</sup> August, 2022 5.00 PM IST
E-voting website	<a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>

Thanking you,

Yours faithfully,  
 For ORIENT PAPER & INDUSTRIES LIMITED

(R P Dutta)   
 Company Secretary



## ORIENT PAPER & INDUSTRIES LIMITED

CIN: L21011OR1936PLC000117

Registered Office:

Unit - VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751012 (Odisha)

Ph: (0674) 2396930 | Fax: (0674) 2951364

E-mail: cosec@opil.in | Website: www.orientpaperindia.com

# Notice

### TO THE SHAREHOLDERS,

NOTICE is hereby given that the **86th Annual General Meeting ("AGM")** of the Shareholders of **Orient Paper & Industries Limited (the "Company")** will be held on **Wednesday, 10th August, 2022 at 11:00 AM (IST)** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), to transact the following business:

#### ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022, together with the Report of the Board of Directors and Auditors thereon.
2. To declare dividend of Re. 0.25 (25%) per equity share of face value of Re. 1 each for the financial year ended 31st March, 2022.
3. To appoint a Director in place of Mr. Chandra Kant Birla (DIN: 00118473), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. **To appoint Auditors of the Company to hold office from the conclusion of this 86th Annual General Meeting until the conclusion of the 91st Annual General Meeting of the Company and to fix their remuneration and in this connection, to consider and, if thought fit, to pass, the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rule, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force), and pursuant to the recommendations of

the Audit Committee and Board of Directors of the Company, M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a period of five consecutive years from the conclusion this 86th Annual General Meeting to the conclusion of the 91st Annual General Meeting of the Company at a remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be agreed between the Board of Directors of the Company and the Auditors.

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

#### SPECIAL BUSINESS

##### 5. Ratification of remuneration payable to Cost Auditor

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

"RESERVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 75,000/- (Rupees seventy five thousand only) plus applicable tax, and reimbursement of actual travel and out of pocket expenses, to be paid to Shri Somnath Mukherjee, Cost Accountant (Membership No. 5343), for the

financial year 2022-23, as approved by the Board of Directors of the Company, at its meeting held on 29th May, 2022, be and is hereby ratified and confirmed.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

By Order of the Board  
For **ORIENT PAPER & INDUSTRIES LIMITED**

**R. P. Dutta**

Place: Kolkata

Company Secretary

Date: 12th July, 2022

Membership No. A14337

## Notes:

- In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5th May, 2022, 14th December, 2021 read with circulars dated 13th January, 2021, 5th May, 2020, 13th April, 2020 and 8th April, 2020 (collectively referred to as “MCA Circulars”) and SEBI vide its circular dated 13th May, 2022 read with circulars dated 15th January, 2021 and 12th May, 2020 (collectively referred to as “SEBI Circulars”) permitted holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Deemed venue of the AGM shall be the Registered Office of the Company at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751012, Odisha.
- As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
- In accordance with the aforesaid MCA Circulars and SEBI circulars, Notice of AGM along with Annual Report for the year 2021-22 is being sent in electronic mode to Members whose e-mail address is registered with the Company's Registrar and Share Transfer Agent/ Depository Participants as on **Friday, 8th July 2022**.  
  
Members may note that the Notice of AGM along with Annual Report for the financial year 2021-22, is available on the website of the Company at **www.orientpaperindia.com**, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at **www.bseindia.com** and **www.nseindia.com** respectively and on the website of NSDL at **www.evoting.nsdl.com**.
- For enabling the Members to participate at the 86th AGM, the Company has entered into an agreement with National Securities Depository Limited (“NSDL”) to provide VC/OAVM facility and e-voting facility for the Annual General Meeting.
- Members whose email addresses are not registered can register the same in the following manner:
  - Members holding share(s) in physical mode can register their e-mail address and mobile no. on the Kfintech weblink at **https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx** by providing the requisite details. Post successful registration of the email address, the shareholder would get soft copy of the notices, Annual Reports and other communications over e-mail in future. In case of any query, shareholder may write to **einward.ris@kfintech.com** or contact Mr. S. V. Raju, Vice President of KFin Technologies Limited at **1800 309 4001** (Toll Free).
  - Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective Depository Participants (“DPs”) for receiving all communications from the Company electronically.
- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) relating to the Special Business to be transacted at the ensuing AGM is annexed hereto and forms part of this notice.

7. Details in respect of the Director seeking re-appointment at the AGM are annexed hereto and forms part of this notice.
8. The Register of Members of the Company will remain closed from **Thursday, 4th August, 2022 to Wednesday, 10th August, 2022 (both days inclusive)** for the purpose of payment of dividend on Equity Shares.
9. Dividend on equity shares, if declared at the AGM, will be paid to the bank account of the shareholders through electronic transfer (RTGS/NEFT) whose bank details are available in the records of the depository participants/RTA as on the close of business hours on **Wednesday, 3rd August, 2022.**

For shareholders whose bank details are not available for electronic transfer of dividend with the Depository Participants /Company as on that date, demand drafts/ warrants/cheques shall be sent by speed post/courier to their registered addresses.

To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialised mode) and with the Company's RTA (where shares are held in physical mode) by providing the signed Form ISR - 1 which is available on the website of the Company at [www.orientpaperindia.com](http://www.orientpaperindia.com).

10. Members who have not so far encashed their dividend warrants/demand drafts may immediately claim their dividend from the Company. Information in respect of the unclaimed dividend as on the date of the previous AGM of the Company held on 27th August, 2021 has been uploaded on the website of the Ministry of Corporate Affairs ([www.iepf.gov.in](http://www.iepf.gov.in)) and on the website of the Company ([www.orientpaperindia.com](http://www.orientpaperindia.com)).

Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Act, be transferred to the Investor Education and Protection Fund ("IEPF").

The Shares in respect of which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and the applicable law. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in

Web Form IEPF 5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

11. SEBI has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities in physical form. Effective from 1st January, 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/documents are provided to RTA. On or after 1st April, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at [www.orientpaperindia.com](http://www.orientpaperindia.com).
12. Copies of all documents referred to in the notice are available for inspection by the Members through electronic mode. The members may write to the Company at [cosec@opil.in](mailto:cosec@opil.in) in this regard.
13. The Register of Directors and Key Managerial Personnel and their shareholding and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 170 and 189 of the Companies Act, 2013, respectively will also be available for inspection by the members and request shall be made as per above.
14. As per Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Kfintech for assistance in this regard.
15. Members are requested to communicate with RTA by Quoting their DP ID No. /Client ID No. or folio number at the following address:  
M/s. KFin Technologies Limited  
Unit: Orient Paper & Industries Limited  
Selenium Tower B, Plots No. 31 & 32  
Financial District, Nanakramguda  
Serilingampally Mandal  
Hyderabad 500032 (Telangana)  
Toll free no. 1-800-309-4001  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)

16. a. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.
- b. A resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
- c. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

Above documents can be provided either by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or by uploading the self-attested documents at <https://ris.kfintech.com/form15/> on or before 2nd August, 2022.

**17. VOTING THROUGH ELECTRONIC MEANS AND ATTENDING THE AGM THROUGH VC/OAVM:**

- i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI Listing Regulations read with circular of SEBI no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 regarding e-Voting facility provided by Listed Entities, the Company is providing to its Members facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means (“e-Voting”).
- ii. **Remote e-Voting:** Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below (“remote e-Voting”). The facility of casting the votes by remote e-Voting will be provided by NSDL.

- iii. The remote e-Voting period commences from **9:00 AM (IST) on Sunday, 7th August, 2022** and ends at **5:00 PM (IST) on Tuesday, 9th August, 2022**. During this period, Members of the Company holding shares either in physical or dematerialized form, as on the cut-off date of **Wednesday, 3rd August, 2022 (“Cut-off Date”)** may cast their vote by remote e-Voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- iv. **Voting at the AGM:** Members who have not voted through remote e-Voting may avail the e-Voting facility provided in the AGM by NSDL. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote through remote e-Voting are eligible to vote through e-Voting at the AGM. However, Members who have voted through remote e-Voting will be eligible to attend the AGM. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned for remote e-Voting.
- v. A Member can opt for only one mode of voting, i.e., either through remote e-Voting or through e-Voting during the Meeting. If a Member casts votes by both the modes, then voting done through remote e-Voting shall prevail.
- vi. The Voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the cut-off date, that is, **Wednesday, 3rd August, 2022**.  
  
In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the AGM.
- viii. Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.
- ix. Members who have acquired shares of the Company after the dispatch of this Notice and holding shares as on the cut-off date / member who has forgotten the User ID and Password, may approach NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), for issuance of User ID and Password for exercising their right to vote

by electronic means as explained in e-Voting instructions.

- x. Corporate/Institutional members (i.e. other than individuals, HUF, NRI etc.) are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting during the e-voting period and / or during the AGM. Corporate/ Institutional members are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote / attend AGM, to the Scrutinizer by e-mail at **aklabhcs@gmail.com** with a copy marked to National Securities Depositories Limited ('NSDL') (agency for providing the Remote e-Voting facility) at **evoting@nsdl.co.in** and the Company at **cosec@opil.in**. They can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "e-Voting" tab in their login at e-voting portal.
- xi. The attendance of the Members attending the AGM through VC/OAVM will be counted

for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

- xii. The instructions for remote e-Voting and joining the AGM are as under: -

#### A. VOTING THROUGH ELECTRONIC MEANS:

Process to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-voting system

Step 2: Cast your vote electronically on NSDL e-voting system.





**Details on Step 1 are mentioned below:**

#### i) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 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.

Login method for individual members holding securities in dematerialized mode is given below:

Type of Members	Login Method
Individual members holding securities in dematerialized mode with NSDL	<p><b>A. NSDL IDeAS facility</b></p> <p><b>If you are already registered with IDeAS, follow the below steps:</b></p> <ol style="list-style-type: none"> <li>1. Visit the e-Services website of NSDL. Open web browser and type the following URL: <b>https://eservices.nsdl.com/</b> either on a computer or on a mobile.</li> <li>2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section.</li> <li>3. A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-voting services under Value Added Services.</li> <li>4. Click on "Access to e-voting" appearing on the left-hand side under e-voting services and you will be able to see e-voting page.</li> <li>5. Click on options available against Company name or e-voting service provider-NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</li> </ol>

Type of Members	Login Method
	<p><b>If You are not registered with IDeAS, follow the below steps:</b></p> <ol style="list-style-type: none"> <li>Option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>.</li> <li>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></li> <li>Please follow steps given in points 1-5 above.</li> </ol>
	<p><b>B. E-voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>Open web browser and type the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a computer or on a mobile phone.</li> <li>Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>A new screen will open. You will need to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on options available against Company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</li> </ol>
	<p><b>C.</b> Shareholders/Members can also download NSDL mobile app “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="border: 1px solid #ccc; padding: 10px; text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p><b>App Store</b></p>  </div> <div style="text-align: center;">  <p><b>Google Play</b></p>  </div> </div> </div>
<p>Members holding securities in dematerialized mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who are registered at Easi/Easiest, they can login through their 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/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on “New System Myeasi”.</li> <li>After successful login of Easi/Easiest the user will also be able to see the e-voting menu. The menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> </ol>

Type of Members	Login Method
	4. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from a link in <b>www.cdslindia.com</b> home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.
Individual members (holding securities in dematerialized mode) login through their DPs	<ol style="list-style-type: none"> <li>1. You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-voting facility.</li> <li>2. Upon logged-in, you will be able to see the 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.</li> <li>3. Click on options available against Company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</li> </ol>

**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. NSDL and CDSL**

Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <b>evoting@nsdl.co.in</b> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <b>helpdesk.evoting@cdslindia.com</b> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

**ii) Login method for e-voting and joining virtual meeting for members other than individual members holding securities in dematerialized mode and members holding securities in physical mode.**

**How to Log-in to NSDL e-voting website?**

- Visit the e-voting website of NSDL. Open web browser by clicking the URL: **https://www.evoting.nsdl.com/** either on a 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, Password/OTP and a verification code as shown on the screen.
- Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can login at **https://e-services.nsdl.com/** with your existing IDeAS login. Once you login to NSDL e-services after using your login credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.



v. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example: If your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example: If your Beneficiary ID is 12***** then your User ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example: If EVEN is 123456 and folio number is 001*** then User ID is 123456001***
d)	

vi. **Password details** for members, other than Individual members, are given below:

- a. If you are already registered for e-voting, then you can use your existing Password to login and cast your vote.
- b. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your Password.
- c. How to retrieve your 'initial password'?
  - i. If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL in your mailbox from **evoting@nsdl.com**. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file.

The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- ii. In case you have not registered your e-mail address with the Company/ Depository, please follow instructions mentioned below in **Process for**

**those shareholders whose email ids are not registered.**

vii. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a. Click on **"Forgot User Details/ Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on **www.evoting.nsdl.com**.
- b. Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on **www.evoting.nsdl.com**.
- c. If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.co.in** mentioning your demat account number/ folio number, PAN, name and registered address.
- d. Members can also use the OTP based login for casting the votes on the e-voting system of NSDL.

viii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

ix. Now, you will have to click on "Login" button.

x. After you click on the "Login" button, home page of e-voting will open.

**Details on Step 2 are given below:**

**How to cast your vote electronically and join AGM on NSDL e-voting system?**

- i. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and general meeting is in active status.
  - ii. Select **“EVEN” of Company, which is 120438** for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
  - iii. Now you are ready for e-voting as the voting page opens.
  - iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify or modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
  - v. Upon confirmation, the message “Vote cast successfully” will be displayed.
  - vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  - vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- i. In case shares are held in physical mode please provide Folio No., Name of member, 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 **cosec@opil.in**.
  - ii. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **cosec@opil.in**. If you are an Individual member holding securities in demat mode, you are requested to refer to the login method explained above at **Step 1** i.e. **Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode**.
  - iii. Alternatively, member may send a request to **evoting@nsdl.co.in** for procuring user id and password for e-voting by providing above mentioned documents.
  - iv. In terms of SEBI circular dated 9th December, 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### General guidelines for members

- i. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **“Forgot User Details/Password?”** or **“Physical User Reset Password?”** option available on **<https://www.evoting.nsdl.com>** to reset the Password.
- ii. In case of any queries related to e-voting, you may refer the Frequently Asked Questions (**“FAQs”**) and e-voting user manual available at the download section of **<https://www.evoting.nsdl.com>** or call in toll free no: **1800 1020 990/ 1800 224 430** or a send a request to **Ms. Pallavi Mhatre, Senior Manager** at **[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)**.

#### PROCESS FOR THOSE MEMBERS WHOSE EMAIL-IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL-IDS FOR E-VOTING:

#### B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Members will be able to attend the AGM through VC/OAVM through the NSDL e-voting system. After successful login, you can see VC/ OAVM link placed under Join meeting menu against the Company name. **This link will be enabled 15 minutes before the schedule time of AGM. You are requested to click on VC/OAVM link placed under “Join Meeting” menu.** Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, members can also use the OTP based login for logging into the

e-voting system of NSDL.

- ii. Members are encouraged to join the AGM through Laptops / computers for better experience and use internet with a good speed to avoid any disturbance during the AGM.
  - iii. Please note that members 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.
  - iv. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (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.
  - v. Members who need assistance before or during the meeting, call on toll free no: **1800 1020 990/ 1800 224 430** to NSDL or a send a request to **Ms. Pallavi Mhatre, Senior Manager** at **evoting@nsdl.co.in**.
  - vi. Members who would like to express their views or ask questions during the AGM may **register themselves as a speaker shareholder** by sending request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at **cosec@opil.in** between **Friday, 5th August, 2022** (9:00 AM IST) and **Sunday, 7th August, 2022** (5:00 PM IST). Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for speaking, depending on the availability of time for the AGM.
  - vii. Further members, who have registered themselves as speaker shareholder, will be required to allow Camera and use Internet with a good speed to avoid any disturbance
18. The Board of Directors of the Company has appointed Mr. Atul Kumar Labh, a Practicing Company Secretary (Membership No. FCS 4848/CP 3238), as the Scrutiniser to scrutinise the remote e-voting process before and during the AGM in a fair and transparent manner.
  19. The Scrutiniser shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast prior to AGM) and make, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or any officer of the Company so authorised.
  20. The results shall be declared along with the Scrutiniser's report within 2 working days from the conclusion of AGM and shall be placed on the website of the Company **www.orientpaperindia.com** and on the website of NSDL at **www.evoting.nsdl.com** immediately. The Company shall simultaneously communicate the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. The recorded transcript of the AGM shall also be made available on the website of the Company, **www.orientpaperindia.com** in the Investor's section, as soon as possible after the AGM is over.
  21. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM, i.e., Wednesday, 10th August, 2022.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4

The Board of Directors of the Company at its meeting held on 29th May, 2022, based on the recommendation of the Audit Committee, appointed M/s. B S R & Co. LLP Chartered Accountants (Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company, to hold office for a period of five consecutive years from the conclusion this 86th Annual General Meeting to the conclusion of the 91st Annual General Meeting. The appointment is subject to the approval of the shareholders of the Company.

The proposed remuneration to be paid to M/s. B S R & Co. LLP, Chartered Accountants for audit services for the Financial Year ending 31st March, 2023, is Rs. 29,50,000 (Rupees twenty nine lac fifty thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as agreed between the Board of Directors of the Company and the Auditors.

The Board of Directors, on the recommendation of the Audit Committee, are authorised to approve and/or revise the remuneration of the statutory auditors, from time to time.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the statutory auditors.

### Brief profile of M/s. B S R & Co. LLP

B S R & Co. ("the firm") was constituted on 27th March, 1990 as a partnership firm having firm registration no. as 101248W. It was converted into limited liability partnership i.e. B S R & Co. LLP on 14th October, 2013 thereby having a new firm registration no. 101248W/W-100022. The registered office of the firm is at 14th floor, Central B Wing and North C Wing, Nesco IT Park 4, NESCO Centre, Western Express Highway, Goregaon (East), Mumbai-400063.

B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India.

The Firm is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur and Kochi. It has over 30 years of experience in India providing audit, tax and advisory services. The firm is also acting as statutory auditors of many listed entities. The firm has over 3000 staff and more than 100 partners.

Considering the expertise and experience of M/s. B S R & Co. LLP, the Board recommends the resolution contained in item no. 4 of the accompanying notice for approval of the members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is in any way concerned or interested in the said Resolution set out at item no. 4.

### Item No. 5

The Board of Directors of the Company at their meeting held on 29th May, 2022, has, on the recommendations of the Audit Committee, appointed Shri Somnath Mukherjee, Cost Accountant (M. No. 5343), as Cost Auditor of the Company for the financial year 2022-23 at a remuneration of Rs. 75,000/- (Rupees seventy five thousand only) plus applicable taxes and out of pocket expenses in connection with the audit.

As per Section 148 of the Companies Act, 2013 and applicable rules thereunder, the remuneration payable to the cost auditor is to be ratified by the members of the Company.

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

The Board considers the remuneration payable to the cost auditor as fair and recommends the resolution contained in item no. 5 of the accompanying notice for approval of the members as an Ordinary Resolution.

**Details of Directors seeking re-appointment at the Annual General Meeting as per Secretarial Standard – 2 on General Meeting and Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Details of Mr. Chandrakant Birla

Brief resume/Experience (including expertise in specific functional area)	Mr. Chandra Kant Birla, aged 67 (DIN: 00118473), an industrialist, heads the C.K. Birla Group and is having rich business experience in managing diversified industrial enterprises.
Terms and conditions of Appointment	Re-appointment upon retirement by rotation
Remuneration last drawn	As a non-executive director, he is entitled to receive sitting fees for attending meeting of the Board of Directors and profit related commission not exceeding 1% of the net profits of the Company.
Remuneration proposed to be paid	
Date of first appointment on the Board	29th September, 1978
Shareholding in the Company as on 31st March, 2022, either directly or by way of beneficial interest	34,05,893 number of shares directly.
Relationship with other Director/Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel
Number of meetings of the Board attended during the financial year (FY 2021-22)	As mentioned in the Corporate Governance Report
Directorships in the Boards of other Listed entities as on 31st March, 2022	<ol style="list-style-type: none"> <li>1. Orient Cement Limited</li> <li>2. Orient Electric Limited</li> <li>3. HIL Limited</li> <li>4. Birlasoft Limited</li> </ol>
Membership/Chairmanship of Committees of other Listed entities in India as on 31st March, 2022	<ol style="list-style-type: none"> <li>1. Orient Cement Limited <ul style="list-style-type: none"> <li>- Nomination &amp; Remuneration cum Compensation Committee - Member</li> </ul> </li> <li>2. Orient Electric Limited <ul style="list-style-type: none"> <li>- Nomination &amp; Remuneration Committee - Member</li> </ul> </li> <li>3. HIL Limited <ul style="list-style-type: none"> <li>- Nomination &amp; Remuneration cum Compensation Committee - Member</li> </ul> </li> </ol>
Names of listed entities from which the person has resigned in the past three years	Nil

# ON THE PATH TO TRANSFOR-NATION



SOCIALLY RESPONSIBLE. WELLNESS-DRIVEN.

ANNUAL REPORT 2021-22



In this Annual Report, we have disclosed information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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## Corporate Information

### BOARD OF DIRECTORS

Chandrakant Birla, Chairman  
 Ashwin J Laddha, Managing Director and CEO  
 Gauri Rasgotra, Independent Director  
 Raj Kumar Agrawal, Independent Director  
 Srinivasan Vishvanathan, Independent Director  
 Ashwin Bishnoi, Independent Director

### BOARD COMMITTEES

#### AUDIT COMMITTEE

Srinivasan Vishvanathan, Chairman  
 Gauri Rasgotra  
 Ashwin Bishnoi  
 Raj Kumar Agrawal

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

Gauri Rasgotra, Chairperson  
 Srinivasan Vishvanathan  
 Ashwin J Laddha

#### NOMINATION & REMUNERATION COMMITTEE

Srinivasan Vishvanathan, Chairman  
 Ashwin Bishnoi  
 Raj Kumar Agrawal

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Gauri Rasgotra, Chairperson  
 Ashwin Bishnoi  
 Ashwin J Laddha

#### RISK MANAGEMENT COMMITTEE

Raj Kumar Agrawal, Chairman  
 Srinivasan Vishvanathan  
 Gauri Rasgotra

### AUDITORS

Price Waterhouse & Co. Chartered Accountants LLP  
 Chartered Accountants  
 Plot no. 56 & 57  
 Block - DN, Sector - V, Salt lake  
 Kolkata - 700091

### REGISTERED OFFICE

Unit-VIII, Plot No.7  
 Bhoinagar  
 Bhubaneswar-751 012 (Odisha)

### MANUFACTURING PLANTS

Amlai, Madhya Pradesh  
 Brajrajnagar, Odisha

### SHARE TRANSFER AGENT

KFin Technologies Limited  
 Selenium Tower B  
 Plot 31-32, Gachibowli  
 Financial District Nanakramguda  
 Hyderabad-500 032

### CORPORATE IDENTIFICATION NUMBER

L21011OR1936PLC000117

## Corporate Ethos

### Our Purpose

To be amongst World's most Responsible, Innovative and Respected Paper companies, delivering Industry Leading Returns to all its Stakeholders.

### Our Values

- **Integrity**

Acting and taking decisions in a manner that is fair and honest. Following the highest standards of professionalism and being recognised for doing so. Integrity for us means not only financial and intellectual integrity but encompasses all other forms as are generally understood.

- **Excellence**

An energetic, intuitive zeal that arises from emotional engagement with the organisation makes work joyful and inspires each one to give his or her best. A voluntary, spontaneous and relentless pursuit of goals and objectives with the highest level of energy and enthusiasm.

- **Respect**

We value everyone and treat people with dignity and professionalism.

- **Responsibility**

On the foundation of integrity, doing all that is needed to deliver value to all stakeholders. In the process, being accountable for our own actions and decisions, those of our team and those on the part of the organisation for which we are responsible.

- **Accountability**

Each of us is responsible for our words, our actions and our results.



## Awards and Certifications

- Received "Platinum Award for Quality Excellence category" from Apex India Delhi FY: 2021-22.
- Received "Gold Award for Water Stewardship category" from Apex India Delhi FY: 2021-22.
- Received "Platinum Award for Quality Excellence category" from Grow Care India Delhi FY: 2021-22.
- Received "Gold Award for "Environment Excellence category" from Grow Care India Delhi FY: 2021-22.
- Received "Gold Award for CSR 2021" from Grow care India Delhi FY:2021-22
- Recertification for Energy Management System EnMS 5001:2018 by M/s Rina Italy.
- Surveillance audit for Quality Management System QMS 9001:2015 by M/s Rina Italy.
- Surveillance audit for Environment Management System EMS 14001:2015 by M/s Rina Italy.
- Surveillance audit for Occupational Health & Safety System OHS 45001:2018 by M/s Rina Italy.
- Surveillance audit for FSC-COC&CW by M/s NEPCon.
- Recertification for NABL for Research and Development Laboratory ISO 17025:2017 by M/s Quality Council of India Delhi.





## Message from Chairman

### Thinking Sustainability. Reimagining growth.

At Orient Paper, we are reimagining a company that can scale responsibly and have innovation at its core to serve the needs of all its stakeholders. We are transforming our business model from being a product company to a solution company. We believe this philosophy will help us build a very cohesive and agile ecosystem in which we operate.

That is thinking sustainability that our stakeholders seek. That is Reimagined Orient Paper.

We've often heard it said that disruption creeps on us gradually, then suddenly. But disruption can also play out suddenly, then gradually.

The challenge is to identify the weak signals that could shift the demand pattern over time. In our case, we see two such shifts happening to our business. For our writing and printing segment, we see a stable demand in the near term because of the Government of India's introduction of a new education policy. On the other hand, our tissue segment is likely to experience a sustainable and scalable demand on account of increased consumer spending on hygiene post covid.

In the rapidly evolving global dynamics, climate change is one of the biggest challenges we all face and requires urgent action. At Orient, we believe we can be a catalyst of change towards accelerating the efforts for this common goal and thus, we are now putting our core philosophy of ecosystem-led approach into the new framework of ESG.

But the real test will come in the following months when we must find ways to understand and respond to the gradually evolving dynamics of the new normal. Technology will prove an ally here. We are partnering with our core technology providers and key vendor partners to not only navigate the change seamlessly but also to partner in challenging the status quo and developing new solutions continuously.

Orient's transformation and repositioning as a growth business are led by our CEO Ashwin Laddha who is focused on strengthening and building core capabilities, reimagining the product and market mix, and developing deep partnerships across our ecosystem.

The combination of our domain expertise, substantial goodwill and under-leveraged balance sheet gives us the right platform to put Orient Paper on sustainable, scalable, and profitable growth for the future.

**Chandrakant Birla,**  
Chairman



Thinking Sustainability.  
Reimagining growth.

**Mr. Chandrakant Birla**  
Chairman



## Board of Directors



**Chandrakant Birla,  
Chairman**

Chandrakant Birla, aged 67 years, is the Chairman and Non-Executive Director of the Company. He is the Chairman of several companies of the CK Birla Group. The Group has interests across industries such as automotive, technology, infrastructure, building products, healthcare, and education. He is also a keen philanthropist and deeply committed to creating a sustainable positive impact.



**Ashwin J Laddha,  
Managing Director and CEO**

Ashwin J Laddha, aged 47 years, is an MBA and holds a bachelor's degree in Commerce. Ashwin J. Laddha is a dynamic business leader with a diverse background and extensive international experience across all facets of business operations, product management, sales management and finance with strengths in real-time business decision-making and identifying ROI drivers.



**Gauri Rasgotra,  
Independent Director**

Gauri Rasgotra, aged 54 years, is an Advocate and has a rare combination of advisory and litigation experience of 21 years in both academic and corporate settings. She has 15 years of active experience in litigation in the Supreme Court as well as other courts in India on behalf of M/s Khaitan & Co LLP. She also worked in U.S.A. at the George Washington University Law School. Presently, she is a partner in Cyril Amarchand Mangaldas, Advocates and Solicitors.



**Raj Kumar Agrawal,  
Independent Director**

Raj Kumar Agrawal, aged 65 years, has done his B. Com (Hons) from Shri Ram College of Commerce and Chartered Accountancy from the Institute of Chartered Accountants of India. Agrawal has been associated with S.R. Batliboi & Co LLP, Chartered Accountants, for more than 43 years in various capacities and retired as a senior partner of the firm on 30th June 2019. He has over 40 years of experience of providing accounting, advisory and other services to companies in various industry sectors, including metal & mining, oil & gas, power, manufacturing, real estate, infrastructure, etc. He has held senior leadership positions as Risk Management Head and Technical Head of the firm.



**S. Vishvanathan,  
Independent Director**

S. Vishvanathan, aged 68 years, has done M.Sc. in Physics and has completed MBA and CAIIB. He has National and International experience of 38 years in Wholesale Banking, Retail Banking and Markets. He led the largest Bank in India, State Bank of India (SBI), as the Managing Director and as a Director on its Central Board. He managed diverse businesses and stakeholders as the Managing Director (Associates & Subsidiaries) of the Bank.



**Ashwin Bishnoi,  
Independent Director**

Ashwin Bishnoi, aged 41 years, is an Advocate. He is a Partner in Khaitan & Co. Advocates. Prior to joining the firm, Ashwin worked at several law firms for 4 years in their New York and London offices. He is a leading lawyer in the field of corporate insolvency and restructuring focusing on complex corporate rescues and distress M & A transactions. He has been at the forefront of India's new bankruptcy law, including advising on its evolution and its application across a significant number of the first few corporate rescues under the new law. Ashwin Bishnoi is ranked as a 'Rising Star Lawyer' by Asia Law.



## Our performance over the past five years

### Revenue from Operations (₹ CR)



### Operating EBIDTA (₹ CR)



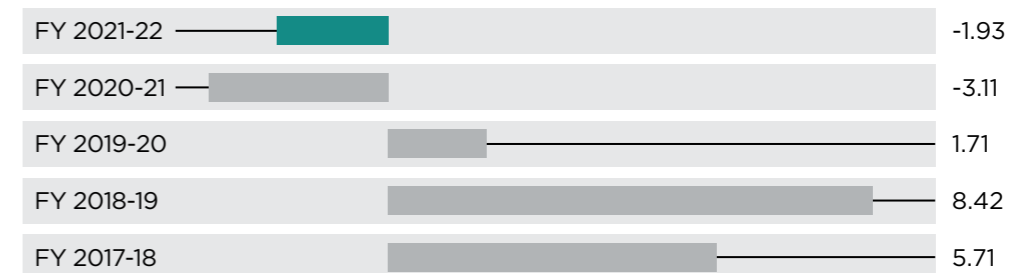
### PAT (₹ CR)



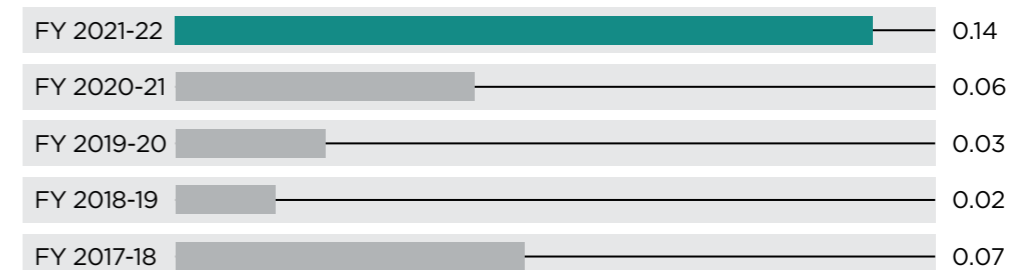
### Net Worth (₹ CR)



### RoCE (%)



### Debt-Equity Ratio





## Message from Managing Director and CEO

### Dear Shareholder,

The financial year ending March 31, 2022, was challenging for Orient Paper as Covid-led uncertainties for our business persisted till Q4 FY22, coupled with a significant increase in input costs due to supply chain disruptions. Our revenues grew by 32% to INR 585.65 Cr. Our losses (EBIDTA) narrowed down to INR 7.73 Cr which is an improvement of 67% over the previous year. Our dividend payout for the year has been 25% and our net worth has increased by 5.8% to INR 1,553 Cr. We continued to invest in our business with a Capital Expenditure of INR 126 Cr. Our purpose is to enable children to get a quality education and allow communities access to a hygienic lifestyle. With that in mind, we have aimed to increase our relevance to the communities we serve. The more we succeed in that, the more likely we are to create increased value for our shareholders.

Today our value chains are at different stages in their business maturity. We are positioning our capabilities to help them to unlock their true potential across the various dimensions of this journey.

Over the past few months, I have extensively spent time with our customers and their value chain, vendor partners and employees. The 78 interactions I have had during the previous quarter strongly believe in our long-standing trust-based partnerships. They are keen that we build upon our domain knowledge and support them in unlocking value across the demand chain.

To increase our relevance to our customers, we have embarked on our strategy to unlock value, to achieve this, we have defined the following three strategic imperatives:

- Strengthen the core and Leverage Technology
- Demand Chain Development
- Reimagine Product and Market mix

### Strengthen the Core and Leverage Technology

To strengthen the business's core capabilities, we are strengthening our domain expertise across our operations by top talent onboarding and partnering with industry-leading experts and institutions to embark on a continuous learning journey.

We are engaging in strategic collaboration with key vendor partners and technology providers to develop an agile and efficient operation and to build the foundation for Industry 4.0.

### Demand Chain Development

As a responsible leader in the virgin tissue category, we embark on the journey of category development which will entail engagement across the demand chain and empower our customers to offer relevant product offerings for various applications.

### Reimagine Product and Market Mix

For our writing printing segment, we are redefining micro home markets and identifying anchor value chain partners to unlock value.

We are developing a road map for category development across India and identifying new value-added products for our domestic tissue business. For our export market, we are consolidating our presence across UAE and spreading our base to develop new international markets.

With the articulation of our strategic direction, we have launched a transformation program for the company to drive the execution of the initiatives that will help us achieve the outcomes envisaged. This three-year transformation program will help position Orient for increased customer relevance.

Thank you to each one of our 142 customers! Their trust and belief in us have enabled us to be in the company we are. The dedication of our 3,130-strong workforce to drive outcomes for our customers is a testament to the continuing strength of our institution. Thank you to each one of them.

Our leadership team has helped steer the company through the past several years and helped design our strategic framework and the transformation program. I thank them for their energy and commitment to helping me operationalize our strategy.

Today, as I sit in my office at Birla Building in Kolkata, I feel excited at the opportunity to help the customers unlock their true potential. I feel a sense of pride in the incredible institution built over the past 86 years which gives us a strong foundation for what we can create in the future.

With my warmest regards,

**Ashwin J Laddha**  
Managing Director and CEO



**Mr. Ashwin J Laddha**  
Managing Director and CEO





## Message from Chief Operating Officer

We believe that our People lead, process-driven collaboration with key partners across our ecosystem, which will be a strategic advantage in developing agile and competitive operations.

Our priority is to lead our manufacturing operations on the ESG agenda offering relevant products and solutions serving the communities.

Some of the critical operational milestones In FY'23 would be commissioning our new recovery boiler in H1, increasing our pulp capacity by 25,000 TPA and reducing our cost of production significantly. Our teams are proactively working on developing new VAP's to leverage the most out of this increased capacity.

In H2, we would introduce an element chlorine-free process, which will help improve our quality and reduce our environmental footprint further.

**Chandrashekhar Kashikar**  
Chief Operating Officer

## Message from Chief Financial Officer

After two challenging years, we remain steadfast. With FY 23 being a year of a turnaround for the Orient Paper, we are working towards building a digital company to increase agility in business and have the highest standards of governance.

We continue to run the business responsibly, which is reflected in our strong balance sheet. We will continue to divest non-core assets and invest in strengthening the core business to scale profitable growth.

**P. K. Sonthalia**  
Chief Financial Officer



## Message from Head Plantation Development and Fibre Sourcing

As we reimagine the possibilities for co-creating value for communities across our ecosystem, we are embarking on an ambitious journey to enrich the lives of over 1,00,000 Farmers and contribute towards soil conservation and afforestation covering over 1,00,000 Acres of barren land in over 7,000 Villages around Amlai.

In our effort to engage with the communities, we are collaborating with multiple organisations like the ASA Foundation, Heartfulness foundation and various FPO's and Microfinance companies to have a holistic impact in the region and help move the needle.

**Ajay Niding**

**Head Plantation Development and Fibre Sourcing**

## OPIL's outreach programme

**Helps soil conservation and afforestation while creating a self-sustaining livelihood in the rural economy.**

Mr. Namdhani Mahra village Mallya, District Shahdol represents how collaborative work and support from OPIL are positively impacting lives and unlocking several possibilities for growth.

In 2014, Mr. Namdhani had fallow land of 4 acres and was not able to cultivate the same as he had no means. OPIL supported him to plant pulpwood trees on this land under a scheme where the cost of inputs incurred would be payable after the crop matures. From the sale of his wood to OPIL he got a net profit of INR 1,00,000. He invested part of this in a village-level small cement business which further improved his income on a sustainable basis. He now owns a car and built a cemented house.

As a next step with technical know-how from OPIL he is working towards having intercropping of Haldi (turmeric) which will adds to his income further.



The picture shows Mr. Namdhani on the first day of planting trees in 2014 in his farm and his status today with his car.



(2014 image from pro goggle earth show) (2022 image from pro google earth)  
(GPS Cordinates: 23 degrees 16'04.42 N, 81 degrees 42'28.05"E)

Images of Mr. Namdhani's 4 acres of land before and after Planting.





## Farm Forestry and Rural Livelihood

### Impact on sustainable Rural Livelihood:

Mr. Rajbhan Singh of Harri village sold his pulpwood to OPIL in 2022 and earned a net of INR 8,00,000 as profit. He shall be earning another INR 20,00,000 from the same land in the next 10 years without having to spend anything.

As a next step, the OPIL team is now making Mr. Rajbhan Singh aware of other opportunities like intercropping and being a Sarpanch of Harri village he is now helping other fellow villagers capitalise on the opportunity in collaboration with OPIL.



The pictures below are of 30 acres of land (Earmarked in white line) belonging to Mr. Rajbhan Sarpanch of village Harri, District Shahdol, Madhya Pradesh clearly defines the change that has taken place.



(Photo from Pro Google Earth 2015)

(Photo from pro-Google Earth 2022)

(GPS Coordinates: 23 degrees 16' 00.42" N, 81 degrees 42' 28.05"E)



Fallow Land

Intercropping

Cultivated Farming



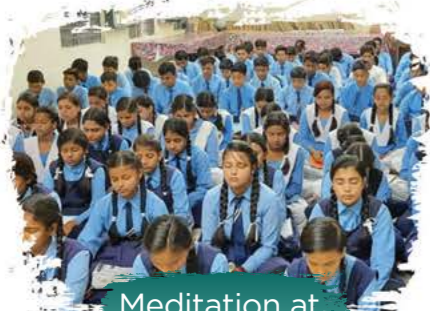
Before

After

### Achievements :

- Till date OPIL has facilitated plantations in excess of 1,60,000 Acres in Madhya Pradesh and Chattisgarh. 78% of these plantations have been done on fallow lands covering 51% of total land mass of Anuppur, Dindori, Shahdol and Umaria
- Eucalyptus plantation has resulted in income of approximately INR 18,000 from fallow land, which is 12.5% more than income on cultivable land in the nearby area
- This eucalyptus farming has ensured INR 301.34 Crore additional income over the course of 7 years

## Sustainability Initiative



Meditation at OPM School



Celebration at OPM School



Environment Day at OPM School



Rural Connect for Plantation



Heartfulness at village



Health Initiative



Drinking water Initiative

## Statutory Reports

### Achievements :

- OPIL has empowered the dream of education for 74,786 children till date, of which 45% have been girls
- In FY 22, our medical facilities have treated 27,873 patients from the nearby areas
- In collaboration with Heartfulness foundation we have enabled over 1136 people to start their inner journey
- For holistic wellness of the community we provided 30,00,000 Litres of drinking water



## Profile of Board of Directors

Particulars	Age	Date of Joining	Other Directorship
<b>Chandrakant Birla</b> 24, Dr. A. P. J. Abdul Kalam Road New Delhi 110 011 Chairman Industrialist, Indian	67	29.09.1978	1 Orient Cement Limited
			2 National Engineering Industries Limited
			3 AVTEC Limited
			4 HIL Limited
			5 Birla Brothers Pvt. Limited
			6 Orient Electric Limited
			7 Birlasoft Limited
			8 NeoSym Industry Limited
			9 Birlasoft Inc., USA
			10 Birlasoft (U.K.) Ltd., London
			11 ASS AG, Switzerland
<b>Gauri Rasgotra</b> House No.C-1/3, Tilak Marg New Delhi-110001 Director Advocate, Indian	54	26.09.2014	1 HIL Limited
<b>Srinivasan Vishvanathan</b> 560.SFS Flats Mandakini Enclave,Alaknanda New Delhi-110019 Director Retired Bank official, Indian	68	25.03.2019	1 Axis Bank Limited
			2 The Clearing Corporation of India Limited
<b>Ashwin Bishnoi</b> Tower 25, Flat No.404 Commonwealth Village, New Delhi-110092 Director Advocate, Indian	41	01.08.2019	1 National Engineering Industries Limited
<b>Raj Kumar Agrawal</b> U-6, Green park Extension New Delhi-110016 Director Chartered Accountant, Indian	65	27.01.2020	1 Vachaspati Real Estate Pvt. Limited
			2 Indag Rubber Limited
<b>Ashwin J Laddha</b> 4/A, Ramanand Adarsh Colony Near Utengle Mangal Karyalay Gaurakshan Road Akola - 444001, Maharashtra Managing Director & CEO Service, Indian	47	01.04.2022	-

## Directors' Report

Dear Shareholders,

We are pleased to present the annual report along with the audited accounts of your company for the year ended 31st March, 2022.

### Financial results

The financial performance of the Company for the year ended 31st March, 2022 is summarised below:

(Rs. in crores)

Particulars	2021-22	2020-21
Revenue from Operations	585.65	443.36
Other Income	9.17	9.60
Total Income	594.82	452.96
<b>Earnings before Interest, Depreciation, Amortisation &amp; Taxation</b>	<b>(7.74)</b>	<b>(23.77)</b>
Interest/Finance costs	4.98	6.60
<b>Profit before Depreciation and Taxation</b>	<b>(12.72)</b>	<b>(30.37)</b>
Depreciation	31.20	32.39
<b>Profit before Taxation</b>	<b>(43.92)</b>	<b>(62.76)</b>
Taxation	(15.04)	(16.21)
<b>Profit for the year</b>	<b>(28.88)</b>	<b>(46.55)</b>
Other Comprehensive Income	119.04	262.46
<b>Total Comprehensive Income</b>	<b>90.16</b>	<b>215.91</b>
<b>STATEMENT OF RETAINED EARNINGS</b>		
At the beginning of the year	863.54	912.64
Add: Profit for the year	(28.88)	(46.55)
Add: Transfer from FVOCI - sale of equity investments (net of taxes)	3.46	5.45
Less: Other Comprehensive Loss (net of taxes)	(2.08)	(2.61)
Dividend on Equity shares	5.30	10.61
At the end of the year	834.90	863.54
<b>EPS (Rs.)</b>	<b>(1.36)</b>	<b>(2.19)</b>

### Economic climate and Company's performance

The last two years have been very challenging for the Global economy on account of Covid-19 pandemic which led to contraction of the economy in FY 21. However, despite fresh waves of the pandemic during FY 22, the economy has grown by almost 9% as per advance estimates.

The Indian Paper industry in general and the writing & printing paper segment, in particular,

was adversely affected because of shutdown of educational establishments for major part of the year and continuing WFH practices.

Towards close of the financial year, demand for writing & printing paper as well as Tissue paper improved significantly. However, on the other side, there has been extreme uncertainty and volatility in prices for all key commodities resulting in the significant cost increase for all major cost components for business from coal, wood, petrochemical to engineering spares.

At a macro level, the big drivers of the demand chain globally remain to be highly complex and uncertain due to ongoing geopolitical developments coupled with a high probability of the major western economies likely to be entering a possible period of stagflation.

### Our performance

Your Company's performance for the year was also impacted adversely by lower volumes and price realization coupled with the increasing cost of raw materials due to the disruptions caused by the CoVID-19 pandemic and global disruption of the supply chain for major commodities.

We are entering FY23 with a mixed bag of the opening of markets on one hand and an extremely uncertain supply chain on the other hand, in this situation your company is focusing on strengthening its core capabilities (People - Process - Technology) to become more resilient and enter a new phase of sustainable, scalable, and profitable growth.

### Share Capital

There was no change in the share capital of the Company during the financial year 2021-22.

### Dividend

Subject to the shareholders' and other requisite approvals, your Directors recommend payment of a dividend of Re. 0.25 (25%) per equity share of Re.1/- each for the Financial Year ended 31st March 2022.

### Sustainable Development and Environment

In the 86 years since our formation, Orient Paper has continuously worked to be the most responsible paper manufacturing company. Our core values, Integrity, Excellence, Respect, Responsibility & Accountability has been deep-rooted in the way we have been doing business. Some of the core values can be directly linked to Environment & Social development like, **Responsibility**, OPIL in past has been fully devoted to being environmentally responsible and the efforts have been widely acknowledged and appreciated by several independent agencies. **Respect**, we believe that one of the key factors for the company's growth is through empowering our people & respect for all. We hold ourselves accountable for employee welfare & safety. We also respect our local community and continuously engage with them through various initiatives for their upliftment.

This year we have started to formalise our ESG to international recognized frameworks. This we believe

will act as a catalyst to our existing sustainability strategy and will help us achieve greater success on all three fronts Environment, Social & Governance.

And finally, to bring more transparency to the way we do business, we would be publishing our first Sustainability Report in 2023.

### Cash Flow Analysis

In conformity with the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 2(40) of the Companies Act, 2013, the cash flow statement for the year ended 31st March 2022 is included in the annual accounts.

### Corporate Governance

Your Company is in full compliance with the Corporate Governance requirements in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance and a certificate from the auditors confirming compliance with the Corporate Governance requirements are attached.

### Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached.

### Deposits

The Company has not accepted any deposit from public falling within the ambit of Section 73 of the Companies Act, 2013 and the Company's (Acceptance of Deposits) Rules, 2014.

### Particulars of Loans, Guarantee and Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### Corporate Social Responsibility

Pursuant to the requirement of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee was constituted. Details of the CSR activities as required under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, are given in the Annual Report on CSR Activities annexed as Annexure I. The Company's Policy on Corporate Social Responsibility

is available on the website of the Company at <https://orientpaperindia.com/codes-policies>.

### Annual Return

Pursuant to the provisions of Section 92 of the Companies Act, 2013 and rules framed thereunder a copy of the Annual Return has been placed at the Company's website [www.orientpaperindia.com](http://www.orientpaperindia.com).

### Directors and Key Managerial Personnel

#### Directors

##### (i) Appointment

Mr. Ashwin J. Laddha (DIN: 09538310) has been appointed as the Managing Director & CEO of the Company for a period of three years with effect from 1st April, 2022. In terms of the provisions of the Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Companies Act, 2013 and Rules made thereunder, approval of shareholders is being obtained by way of Postal ballot.

##### (ii) Retirement

Consequent upon expiry of the term of appointment, Mr. Manohar Lal Pachisia (DIN:00065431) ceased to be the Managing Director of the Company with effect from 1st April, 2022. Further, Mr. M. L. Pachisia also ceased to be a Director of the Company with effect from 1st April, 2022. The Board placed on record its appreciation for the valuable services rendered by Shri M.L. Pachisia as the Managing Director of the Company during his tenure of over 24 years with the Company.

##### (iii) Retirement by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Chandra Kant Birla (DIN: 00118473), Director of the Company, retires by rotation and being eligible offers himself for re-appointment.

##### (iv) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, of the directors individually as well as the evaluation of its various Committees. The process of evaluation has been explained in the Corporate Governance Report.

##### (v) Board Meetings

The details of meetings of the Board and its various committees are given in the Corporate Governance Report.

None of the Directors are disqualified under Section 164(2) of the Companies Act, 2013.

All the Independent Directors have given their declaration confirming that they meet the criteria of independence in terms of Section 149(6) of the Companies Act, 2013 and regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Auditors & Audit Reports

##### (i) Statutory Auditors

The Shareholders of the Company at the Annual General Meeting held on 9th August, 2017 appointed M/s. Price Waterhouse & Co. Chartered Accountants LLP (FRN 304026E/E-300009) as the Auditors of the Company for a period of 5 years and term of the Auditors shall expire at the conclusion of the forthcoming Annual General Meeting of the Company.

Accordingly, the Board of Directors has decided to appoint M/s. B S R & Co. LLP Chartered Accountants (Regn. No. 101248W/W-100022) as the Statutory Auditors of the Company for a period of five years commencing from the conclusion of the forthcoming Annual General Meeting. The Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the rules framed there under for appointment as Auditors of the Company.

The Auditors' Report for the financial year 2021-22 does not contain any qualification, reservation or adverse remark. Further, in terms of section 143 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, notifications/circulars issued by the Ministry of Corporate Affairs, from time to time, no fraud has been reported by the Auditors of the Company where they have reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company.

Note No. 50(c) appearing in the Notes to Financial Statements referred to in the Auditors' Report is self-explanatory.

##### (ii) Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and rules made there under, Mr. Somnath Mukherjee, Cost Accountant (Membership no. M/5343) was appointed for the financial year ending 31st March, 2022 to conduct cost audit for the products covered under the said rule. The Board of Directors of the Company,

on the recommendation of the Audit Committee has further appointed Mr. Somnath Mukherjee, Cost Accountant as Cost Auditor for auditing the cost accounts of the Company for the financial year 2022-23. The Auditor has confirmed his eligibility under Section 141 of the Companies Act, 2013 and the rules framed there under for appointment as Cost Auditor of the Company.

### (iii) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed Mr. A. K. Labh, Company Secretary in Practice (CP Regn. No. 3238) to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Report of the Secretarial Auditor is annexed to this report as Annexure II. The comments mentioned in the Secretarial Audit Report are self-explanatory.

The Board of Directors of the Company have further appointed Mr. A. K. Labh, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the financial year 2022-23.

### Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached herewith as Annexure III.

### Directors' responsibility statement

Directors' responsibility statement pursuant to section 134(3)(c) of the Companies Act, 2013 is attached herewith as Annexure IV.

### Information of employees

The prescribed information of Employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as Annexure V.

### Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and on arm's length basis.

All the Related Party Transactions are presented to the Audit Committee and the Board. Prior omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee and Board of Directors on a quarterly basis specifying the nature, value and terms & conditions of the transactions. Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 are given in the prescribed form AOC -2 as Annexure VI. Web link for the policy on the website is <https://orientpaperindia.com/codes-policies>.

### Remuneration Policy

The Board has, on the recommendation of its Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report. Web link for the policy in the website is <https://orientpaperindia.com/codes-policies>.

### Risk Management

The Board of Directors of the Company has formed a Risk Management Committee, inter alia, to frame, implement and monitor the risk management plan for the Company.

Pursuant to Section 134 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a risk management policy. The policy comprises of a robust business risk management framework to identify, evaluate and mitigate potential business risks. The business risk framework defines the risk level including documentation and reporting.

### Whistle Blower Policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. In line with these objectives, the Company has a Vigil Mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement.

Details of the Whistle Blower Policy are stated in the Corporate Governance Report. Web link for the policy on the website is <https://orientpaperindia.com/codes-policies>.

### Prevention of Sexual Harassment of Women at Workplace

It has been an endeavor of your Company to support women professionals through a safe, healthy and conducive working environment by creating and

implementing proper policies to tackle issues relating to safe and proper working conditions for them.

The Company as required under the provisions of the "the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" has framed a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto.

The Company has not received any complaint under the said policy during the year. Web link for the policy in the website is <https://orientpaperindia.com/codes-policies>.

### Internal Financial Controls with reference to Financial Statements

The Company has adequate internal financial control procedures commensurate with its size and nature of business. The Company has identified and documented all key internal financial controls, which impact the financial statements, as part of its Standard Operating Procedures (SOP). The SOPs are designed for all critical processes across all its plants and offices wherein financial transactions are undertaken. The Financial controls are tested for operating effectiveness through ongoing monitoring and review process by the management and independently by the Internal Auditors. In our view the Internal Financial Controls, affecting the financial statements are adequate and are operating effectively.

### Business Responsibility Report

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

the Business Responsibility Report is presented in a separate section forming part of the Annual Report.

### Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

### Material Changes and Commitments Affecting Financial Position of the Company

There are no material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e., 31st March 2022 and the date of this Report.

### Acknowledgements

Your Directors place on record their sincere gratitude to the shareholders, customers, bankers, financial institutions, government agencies, supply chain partners and the employees for their valuable contribution, cooperation and support in the Company's endeavours to achieve continuous growth and progress.

By Order of the Board of Directors

**C. K. Birla**  
Chairman

New York, 29th May, 2022

(DIN: 00118473)

Annexure - I

# Annual Report on CSR Activities

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

The Company has framed a CSR Policy as required under section 135 of the Companies Act, 2013 and brief outline of the policy has been given in the Corporate Governance Report.

## 2. Composition of CSR Committee:

SI 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
(i)	Ms. Gauri Rasgotra	Chairperson Non-Executive Independent Director	1	1
(ii)	Mr. Ashwin Bishnoi	Member - Non- Executive Independent Director	1	1
(iii)	Mr. Manohar Lal Pachisia*	Member - Managing Director	1	1

\* Ceased to be the Managing Director and member of the Committee w.e.f. 1st April, 2022.

- Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company : <http://orientpaperindia.com/codes-policies#>  
<http://orientpaperindia.com/financial>
- Provide the details of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attached the report) : Not applicable
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any.

SI No.	Financial Year	Amount available for set-off from preceding financial year (Rs. in lacs)	Amount required to be set-off for the financial year, if any
1	2020-21	14.23	14.23
2	-	-	-
3	<b>Total</b>	<b>14.23</b>	<b>14.23</b>

- Average net profit of the company as per section 134(5) : Rs. 2087.79 lacs
- (a) Two percent of average net profit of the company as per section 135(5) : Rs. 41.76 lacs  
(b) Surplus arising out of the CSR projects or Programmes or activities of the previous financial years : -  
(c) Amount required to be set off for the financial year, if any : Rs. 14.23 lacs  
(d) Total CSR obligation for the financial year (7a+7b-7c) : Rs. 27.53 lacs

## 8. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (Rs. in lacs)	Amount Unspent (in Rs.): NIL				
	Total amount transferred to Unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
94.30	-	Not applicable	Not applicable	-	Not applicable

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

(1) SI No	(2) Name of the project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project	(6) Project duration	(7) Amount allocated for the project (in Rs in lacs)	(8) Amount spent in the current financial year (Rs. in lacs)	(9) Amount transferred to Unspent CSR account for the project as per section 135(6) (Rs.in lacs)	(10) Mode of implementation Direct (Yes/No)	(11) Mode of implementation through implementing agency	
				State	District					Name	CSR Registration number
1.	-	-	-	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-	-	-	-

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

(1) SI No	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project	(6) Amount spent for the project (Rs. in lacs)	(7) Mode of implementation Direct (Yes/No)	(8) Mode of implementation through implementing agency		
				State	District		Name	CSR registration number	
1.	Maintenance of Hospital	Promoting Preventive Healthcare and Sanitation	Yes	Madhya Pradesh	Shahdol	61.76	Yes	NA	NA
2.	Contribution towards maintenance of School	Promoting Education	Yes	Madhya Pradesh	Shahdol	17.94	Yes	NA	NA
3.	Supply of masks, sanitizers and medicines and related activities for awareness/ prevention of CoVID 19	Promoting Healthcare	Yes	Madhya Pradesh	Shahdol	2.48	Yes	NA	NA
4.	Construction of toilets	Promoting preventive healthcare and sanitation	Yes	Madhya Pradesh	Shahdol	1.50	Yes	NA	NA
5.	Contribution to State Government and contribution to Red Cross Society	Rural Development	Yes	Madhya Pradesh	Shahdol	8.67	Yes	NA	NA
6.	Contribution to State Government for Amarkantak Narmoda Mahotsav	Rural Development	Yes	Madhya Pradesh	Annupur	0.51	Yes	NA	NA
7.	Supply of free Water	Rural Development	Yes	Madhya Pradesh	Shahdol	0.90	Yes	NA	NA
8.	Pest controls and others	Promoting Healthcare	Yes	Madhya Pradesh	Shahdol	0.54	Yes	NA	NA
<b>TOTAL</b>						<b>94.30</b>			

- (d) Amount spent in Administrative overheads : -  
(e) Amount spent on Impact Assessment, if applicable : -  
(f) Total amount spent for the financial year (8b+8c+8d+8e) : Rs. 94.30 lacs

**(g) Excess amount for set off, if any:**

SI No.	Particulars	Amount (Rs. In lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	41.76
(ii)	Total amount spent for the financial year	94.30
(iii)	Excess amount spent for the financial year [(ii)-(i)]	52.54
(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)	52.54

**9. a) Details of Unspent CSR amount for the preceding three financial years:**

SI No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting financial year (in Rs.)	Amount transferred in any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
<b>TOTAL</b>							

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1) SI No.	(2) Project ID	(3) Name of the Project	(4) Financial year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in Rs.)	(7) Amount spent on the project in the reporting Financial Year (in Rs.)	(8) Cumulative amount spent at the end of reporting Financial Year (in Rs.)	(9) Status of the project Completed/ Ongoing
1	-	-	-	-	-	-	-	
2	-	-	-	-	-	-	-	
3	-	-	-	-	-	-	-	
<b>TOTAL</b>								

**10.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details)

- Date of creation or acquisition of the capital(s)
- Amount of CSR spent for creation or acquisition of capital asset.

**Ashwin J Laddha**  
Managing Director & CEO  
(DIN: 09538310)  
Amlai, 29th May, 2022

**Gauri Rasgotra**  
Chairperson - CSR Committee  
(DIN: 06862334)  
New Delhi, 29th May, 2022

**Annexure - II**

# Secretarial Audit Report

**FOR THE FINANCIAL YEAR ENDED 31.03.2022**

[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,  
**Orient Paper & Industries Limited**  
Unit VIII, Plot No. 7  
Bhoinagar, Bhubaneswar - 751 012  
Odisha

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Orient Paper & Industries Limited** having its Registered Office at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751 012, Odisha (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.

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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2022 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.

**Auditors' Responsibility**

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding 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.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

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

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

**We report that,** we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2022 according to the provisions of (as amended) :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**We further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Acts:

1. The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008;
2. The Petroleum Act, 1934 and The Petroleum Rules, 2002;
3. Explosives Act, 1884
4. The Indian Forest Act, 1927
5. The Forest (Conservation) Act, 1980
6. Paper and Paper Board Cess Rules, 1981

to the extent of its applicability to the Company during the financial year ended 31.03.2022 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

**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, if any, 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) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (d) 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 :**

- a) The representative of the Chairmen of the Audit Committee and Stakeholders Relationship Committee attended the Annual General Meeting of the Company held on August 27, 2021.

- b) The Company had re-appointed Mr. M. L. Pachisia as Managing Director (DIN: 00065431) of the Company for a period of 6 months with effect from 1st April, 2021 to 30th September, 2021 in terms of shareholders' approval at the Annual General Meeting of the Company held on 27.08.2021. He was again re-appointed for a further period of 6 months with effect from 01.10.2021 till 31.03.2022 vide the Special Resolution passed through Postal Ballot on 09.11.2021.

For **A. K. LABH & Co.**  
Company Secretaries

( CS A. K. LABH )  
Practicing Company Secretary  
FCS : 4848 / CP No. : 3238  
UIN : S1999WB026800  
PRCN : 1038/2020  
UDIN : F004848D000421726

Place : Kolkata  
Dated : 29.05.2022

**Annexure - III**

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014**

**(A) CONSERVATION OF ENERGY**

Energy conservation measures taken in FY 2021-22:

S. No.	Description of Proposal Implemented	Qty.
1	Installation of Energy Efficient Motor(10hp/3000rpm) & Drive at Clo2, Hypo shredder motor(150hp/1500rpm) & drive.	02 Nos.
2	Replaced Florescent & MV lights with LED Lights.	100 Nos.
3	Installation of Transparent sheets at Roof tops and side walls of, Paper M/c and Finishing H/s for reduction in lighting load	20 Nos.

**(B) ADDITIONAL INVESTMENT & PROPOSAL, IF ANY BEING IMPLEMENTED FOR REDUCING CONSUMPTION OF ENERGY**

S. No.	Energy Conservation Proposal	Estimated Investments in next 3 years (Rs Lacs )
1	A11/12 Laying of underground Standby 300 mm2 11KV Power cable from 16 MW Switch yard to Water Intake & Filtration Plant (1600 Mtrs).	60.00
2	Tissue#1-Upgradation of Analog Drives with New Digital drives, Wire Roll, Breast Roll, Fan Pump 1 & 2, Hood Fan-1 & 2, & Rewinder Drive	20.00
3	Installation of LED light fittings.	10.00
4	Paper Machine DSL for Machine Crane in place of Old Open Conductors.	20.00
5	Replacement of old energy inefficient motors with IE2 motors	100.00
6	Installation of New Energy Efficient Evaporator street & new Recovery Boiler.	21500.00
<b>TOTAL INVESTMENTS</b>		<b>21710.00</b>

**(C) IMPACT OF MEASURES (A) ABOVE FOR REDUCTION OF ENERGY AND CONSEQUENT IMPACT ON COST OF PRODUCT**

S. No.	Energy Form	Unit	2019-20	2020-21	2021-22
1	Power (Excl. colony, Aux. & export power)*	KWH/MT of paper	1859*	1955*	1959*
2	Steam (excl. Own cons.)	MT/MT of paper	17.03	18.79	20.05
3	Water (excl. Own cons.)	M3/MT of paper	47	48	49
	Coal*	MT/MT of paper	2.27*	2.57*	2.91*

\*2021-22 consumptions per ton of paper have been impacted due to Low production volumes and low efficiency due to COVID-19, Pandemic situation.

CO2 Emissions & Sequestrated for last Five (5) Years:

	UOM	2017-18	2018-19	2019 20	2020-21	2021-22
1	CO2 Sequestrate	tCO2/MT of Paper	15.40	17.61	19.22	23.09
2	CO2 Emission through OPM	tCO2/MT of Paper	3.41	3.49	3.74	4.44
3	Carbon Positive	tCO2/MT of Paper	11.99	14.12	15.47	18.66

**(D) TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT**

**I. Specific area in which R&D carried out by the company.**

- R&D laboratory is the first lab among Indian Pulp and Paper Industries, which is accredited to NABL (ISO/IEC 17025:2017) in wastewater treatment, under which 23 scope parameters of waste water testing are covered.
- In-House R&D unit is recognized by the Department of Scientific and Industrial Research, Ministry of Science and Technology New Delhi. 03 no's of projects taken up in FY: 2021-22 has been completed with fruitful outcome and have been submitted successfully to DSIR, New Delhi.
- Pulping study has been done of various raw materials such as Eucalyptus center core, various clones of Eucalyptus, bamboo, and hemp procured from various geographical locations of India to develop alternate raw material for sustainability of plant.
- Comprehensive studies of cooking aid (surfactant based) from various national and international suppliers have been done in lab to improve the pulp production and strength enhancement.
- Bleaching studies have been done with different doses of bleaching booster chemicals to achieve the higher brightness with lesser chemical consumption.
- R&D studies have been done to evaluate the different grades of dry strength resins by preparing hand sheets with different doses of DSR to evaluate physical strength properties and ash content in paper.
- Surface treatment chemicals of national and multinational companies have been studied to improve paper surface properties.
- Detail study of effluent samples as per IS 3025 and APHA standard for parameters covered under R&D scope from the distinguished sections of the plant.
- Soil and ambient air analysis from various locations of plant have been done at a particular frequency.

- The physical and mechanical properties of Polyester fibre have been investigated in combination with own mill pulp.
- Technical collaboration has been done with National Environmental Engineering Research Institute (NEERI).
- Optimization of pulp furnish own mill pulp vis'-a'-vis imported hardwood pulp in toilet grade tissue paper.

**II. Benefit derived as a result of above efforts i.e. product improvement, cost reduction, product development, and import substitution**

- NABL Accreditation to R&D Lab has 23 scope parameters. Testing of all parameters are covered on continuous basis for complying NABL certification. The laboratory has participated in proficiency testing program organized by external agency in 2021-2022 in 06 wastewater parameters. This establishes the competency of R&D Staff and authenticity of lab functioning.
- Recognition from DST is feather in cap of our company to improve our market size as well as brand image. DSIR recognition features our brand at world stage along with countries with similar certification programme like Europe, USA, China which is currently the manufacturing giant of the world.
- Pulping studies conducted of several different raw materials have benefited in analyzing its viability of the procured material and ensure maximum output in terms of quality and production. This further contributes to the development of alternate source of raw material. Studies of various Bamboo and Eucalyptus done in the lab for better decision making in plant. Assam Bamboo has better yield (44.5-47.0%) lower kappa no. (23.8) and higher unbleached viscosity (23.6 cps) whereas Eucalyptus center core has yield (44.0-45.0%) Kappa no. (26.2) and unbleached viscosity (21.2 cps).Hemp species has yield (41.8%), Lower kappa no. (13.8) and lower viscosity (13.4cps) with maximum reject (9.3%).Average yield of eucalyptus clones is (46.8-53.6%), Reject (0.2%),Kappa No.(27.1)and viscosity (18.3 cps).

4. Various studies were conducted on research lab to evaluate the performance of cooking-aid submitted by various chemical suppliers. Accordingly, we have taken plant trial and achieved the numerous benefits in pulp mill like reduction in active alkali content by 1%, improvement in pulp yield and pulp strength index.
5. Bleaching studies conducted in Lab has contributed to optimization of bleaching process, to get maximum advantage and hence improve the pulp properties.
6. DSR evaluated at different doses to achieve the required paper strength with higher ash content and improved machine runnability. We have achieved 4-5% higher filler loading with improved strength properties of paper and improved the machine runnability.
7. Surface ceiling chemical studied in lab and found that surface properties and smoothness of our paper has been improved significantly with targeted ash content in paper which is now suitable for printing grade segment. This has increased our market share in printing segment.
8. Effluent water samples study in detail ensures us that we can control effluent load at plant level specifically in pulp mill and recovery area to improve the ETP performance.
9. Treated effluent is being used in HRTS and analysis of soil of various locations inside the plant and nearby plant periphery and air of mill surrounding area helps to determine the healthiness of plantation laid down supported by HRTS.
10. The viability of polyester fibre in combination with own mill pulp has been analyzed to develop high strength paper.
11. Collaboration with NEERI has been done to optimize and rejuvenate HRTS (High Rate Transpiration System).
12. We have optimized our own pulp after giving mechanical treatment to the fiber in such a way that we have achieved softness in paper and replaced 100% imported hard wood.

### III. Training:

All the Laboratory Personnel has attended training programme on Laboratory Quality Management System & Internal Audit align with NABL IS/ISO 17025:2017 in the year 2021-2022

under Internal training program given by Head (QC and R&D).

### IV. Papers published during the year 2021-2022.

None

### V. Future plan of action:

1. To continue research in the above areas and to work out to implement other new emerging technologies for the benefits of the pulp & paper industry.
2. We are also planning to publish 2-3 paper in National and International journal.
3. Prepared proficiency testing plan for 2020-2023 to establish competency of R&D Staff and authenticity of lab functioning.
4. Planning to develop new products at Main Machine and Tissue paper machines to enrich the OPM product baskets.
5. Upgradation of the pulp mill to enhance the pulp production capacity.
6. Upgradation of the bleaching section from conventional bleaching to ECF bleaching to improve the pulp quality.
7. Upgradation of the Main machine to enhance the paper production and enrich the product basket at main machine.
8. Installation of 04MW Solar plant to utilize the natural renewable source .
9. Installation and commissioning of the new recovery boiler of TPD
10. Installation and commissioning of the Evaporator plant of 150 TPH

### VI. Expenditure of R&D

S. No.	Details	2021-2022
a)	Salary (Rs. In lacs)	133.83
b)	Expenditures (Rs. In lacs)	4.84
c)	Capital (Rs. In lacs)	0
	Total R&D (Rs. In lacs)	138.67

### VII. Technology absorption and Innovation:

**Efforts in brief made towards absorption, adoption and innovation**

#### • Raw Material Development:

- Maintain the FIFO in yard to get the standard raw material furnish mix (Fresh Vs. stacked material) and supplied to

chipper house to get uniform mixing of raw material to get best properties in pulp.

- Bamboo share reduced in the RM furnish mixed by 10% from 35 to 25%.
- Centre Core of Eucalyptus received 300MT for a good substitution of the fibrous raw material.
- Uniform and homogeneous RM furnish mix (fresh local wood receipt Vis-a'-Vis stacked wood) to get consistent pulp quality.

#### • Pulp Mill

- Chips Feeder overhauled in-house and installed the overhauled Feeder to reduce the digester feeding time to improve the productivity.
- New ClO2 washer has been commissioned successfully to improve pulp productivity, washing efficiency, quality and pulp properties like pH, Consistency, brightness and strength index.
- Plant trial was conducted to evaluate the performance of cooking-aid of distinguish chemical suppliers to achieved the numerous benefits in pulp mill like reduction in active alkali content by 1%, improvement in pulp yield and pulp strength index.

#### • Chemical Recovery, Chlorine Dioxide Plant and Rotary Lime Kiln

- Increase vacuum in mud filter washer vacuum pump to increase the mud dryness and reduction in furnace oil consumption.
- Modified GD screen in ESP to improve the sodium sulphate dust collection.
- New Hypochlorite settler fabricated and erected to improve the hypochlorite quality.
- conducting several R&D studies to achieve the desired strength properties after making numbers of combination of imported softwood and our own mill pulp maintain all other important feature of this paper
- Improve Active Alkali content in White liquor by 2.0 gpl (from 78.0 to 80.0)

to improve the strength index of the unbleached pulp.

#### • Paper Machine:

- Higher ash (4%) achieved at Main machine after Introducing amphoteric DSR and maintained all the strength properties and improved machine runnability.
- Introduces paper surface treatment chemical in printing grade paper to improve the printing property of the paper even after loading high filler in the paper.
- Static charge eliminator bar has been installed at main machine arrest the static charge in paper. This improved our product quality and eliminated the static charge problem in our paper during printing.

#### • Tissue Machine # 01 & 02:

- Started usage of recovered fibre from Krofta at T#01 & 02 on consistent basis to reduce the fibre loss.
- Alignment of various equipment like Yankee cardan shaft, motor coupling, gearbox done successfully to speedup of the Tissue # 02 by M\s Valmet.
- Plant trial for 12 hours taken successfully for Yankee chemical of alternate vendor at Tissue # 01 to developed alternate vendor for cost reduction and quality & production enhancement.
- Ever highest production 790 MT achieved at Tissue #01 in the month of Nov'21 since last one decade.

#### • Tissue Machine # 03:

- 100% Reduction of imported pulp at Tissue machine #3 in Toilet grade paper to achieve the required strength properties of the paper with better hand-feel.
- Cutoff blade installed and commissioned at T#03 by M\s Toscotec Italy to reduce the down time during blade change and improve the productivity along with provision to manufactured high gsm paper at machine. This has improved the productivity along with provision to manufactured higher GSM paper at T# 03.



- Online vibration monitoring system supplied by M/s BTG Switzerland installed successfully at T#03 which enhanced better operational control and efficiency improvement.
- Installed and commission secondary and tertiary pressure screen in approach flow at T#3 to improve the paper quality in terms of cleanliness.
- Alignment and condition monitoring have been done by M/s Valmet team Thailand to speed up the machine to achieve the production @90 TPD.

• **New Product Development:**

- Developed water mark paper that too in lower GSM at high-speed machine with wide deckle in 58 & 61 gsm by modifying the dandy application and optimization of the pulp furnish. This has opened up new opportunity to cater the water mark paper in lower grammage.
- Developed Carrier Tissue Paper in 16 gsm successfully after conducting several R&D studies to achieve the desired strength properties after making numbers of combination of imported softwood and our own mill pulp maintaining all other important feature of this paper which will be an import substitution for the sanitary Napkin manufacturer in India.
- Cup stock Paper in 110 gsm developed for lower portion of the cup to contribute in the national initiative of banning of single use plastic
- Developed 90 & 100-gsm Bleached kraft Paper for carry bags.
- Developed Toilet grade paper with our own Mill - Imported pulp substitution.

**(E) Awards & Certification**

- Received **“Platinum Award for Quality Excellence category”** from Apex India Delhi FY: 2021-22.
- Received **“Gold Award for Water Stewardship category”** from Apex India Delhi FY: 2021-22.

- Received **“Platinum Award for Quality Excellence category”** from Grow Care India Delhi FY: 2021-22.
- Received **“Gold Award for “Environment Excellence category”** from Grow Care India Delhi FY: 2021-22.
- Renewal of BIS License for A-4 copier paper till 31st Jan'23.
- Renewal of BIS License for Eco Mark paper till 31st Jul'22.
- Recertification for Energy Management System EnMS 5001:2018 by M/s Rina Italy.
- Surveillance audit for Quality Management System QMS 9001:2015 by M/s Rina Italy.
- Surveillance audit for Environment Management System EMS 14001:2015 by M/s Rina Italy.
- Surveillance audit for Occupational Health & Safety System OHS 45001:2018 by M/s Rina Italy.
- Surveillance audit for FSC-COC&CE by M/s NEPCon.
- Recertification for NABL for Research and Development Laboratory ISO 17025:2017 by M/s Quality Council of India Delhi.

**(F) Foreign Exchange Earnings & Outgo**

The Foreign Exchange earned in terms of actual inflows during the year is Rs. 7486.21 lacs and the Foreign Exchange outgo during the year is Rs. 2131.86 lacs.

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year), following information may be furnished.

- |   |   |                |
|---|---|----------------|
| <ul style="list-style-type: none"> <li>(a) Technology imported</li> <li>(b) Year import</li> <li>(c) Has technology been fully absorbed</li> <li>(d) if not absorbed, areas where this has not taken place</li> </ul> | } | Not applicable |
|---|---|----------------|

**Annexure - IV**

## Directors' Responsibility Statement

On the basis of compliance certificates received from various executives of the Company and subject to disclosures in the annual accounts, as also on the basis of the discussion with the statutory auditors of the Company from time to time, the Board of Directors state that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for this period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**C. K. Birla**  
Chairman  
(DIN: 00118473)

Annexure - V

**Particulars of Employees as required under section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

(a) Qualification (b) Designation/Nature of duties (c) Age (years) (d) Remuneration (in Rs.) (e) Experience (years) (f) Date of Joining (g) Particulars of last employment

**A. Top ten employees in terms of remuneration drawn during the year**

1	Pachisia M.L.	(a) B.Com (b) Managing Director (c) 77 (d) 41975303 (e) 61 (f) 1 April 1991 (g) Hindustan Motors Ltd., President (Corporate Projects)
2	Sonthalia P.K.	(a) B.Com (H), FCA, FCMA (b) President (Finance) & CFO (c) 64 (d) 29464504 (e) 42 (f) 15 April 1980 (g) None
3	Mullick G.	(a) B.Sc (H), MBA (b) Executive Vice President (Paper Marketing) (c) 65 (d) 12723872 (e) 42 (f) 7 October 1998 (g) The Andhra Pradesh Paper Mills Ltd, General Manager (Marketing)
4	Mohta R.K.	(a) B.Com, ACA, CS(Inter) (b) Sr .Vice President (Commercial)- Amlai Paper Mills (c) 67 (d) 8410647 (e) 44 (f) 1 June 2007 (g) Truwoods Group Of Companies , Chief Executive Cum CFO
5	Saha N.K. *	(a) B.E. (Chem), MS (Pulp & Paper) (USA), M.I.E. (India) (b) Sr. Vice President (Projects & Development)-Paper (c) 71 (d) 8343497 (e) 49 (f) 1 June 2021 (g) Orient Paper & Industries Ltd , Sr. Vice President (Projects and Development) - Paper
6	Biyani S.	(a) B.Com(H) , LLB (b) Sr. General Manager (Paper Marketing) (c) 52 (d) 5637584 (e) 24 (f) 6 November 2009 (g) Century Pulp And Paper, General Manager (Marketing)
7	Laddha A.J. **	(a) B.Com, MBA (b) Chief Executive Officer (c) 47 (d) 5384361 (e) 25 (f) 14 January, 2022 (g) Grasim Industries Ltd, Joint President & Regional Sales &Marketing Head (Pulp &Fibre Business), India , SAARC, EMEA & The Americas
8	Ghosh S.	(a) B.Sc (H),M.Sc, MBA (b) General Manager (Paper Marketing) (c) 52 (d) 4790872 (e) 28 (f) 16 October 2015 (g) KCT Trading Pvt Ltd ,Sr General Manager (Sales &Marketing)
9	Kashikar C. S. **	(a) Ph.D.in Chemistry, M.Sc & Diploma in Industrial Pollution & Control (b) Chief Operating Officer - Amlai Paper Mills (c) 52 (d) 4298912 (e ) 27 (f) 14 August 2021 (g) West Coast Paper Mills Limited , VP (Operations)
10	Singh R.	(a) M.Com, CA (b) General Manager (Finance &Accounts) (c) 44 (d) 4109487 (e) 19 (f) 16 March 2020 (g) Prism Johnson Limited, General Manager (Finance & Accounts)

\*was employed for a part of the year.

\*\* joined during the year .

**B. Employed throughout the financial year and were in receipt of remuneration not less than Rupees one crore and two lacs per annum**

1	Pachisia M.L.	(a) B.Com (b) Managing Director (c) 77 (d) 41975303 (e) 61 (f) 1 April 1991 (g) Hindustan Motors Ltd., President (Corporate Projects)
2	Sonthalia P.K.	(a) B.Com (H), FCA, FCMA (b) President (Finance) & CFO (c) 64 (d) 29464504 (e) 42 (f) 15 April 1980 (g) None
3	Mullick G.	(a) B.Sc (H), MBA (b) Executive Vice President (Paper Marketing) (c) 65 (d) 12723872 (e) 42 (f) 7 October 1998 (g) The Andhra Pradesh Paper Mills Ltd, General Manager (Marketing)

**C. Employed for part of the financial year and were in receipt of remuneration not less than Rupees eight lacs fifty thousand per month:**

1	Laddha A.J.	(a) B.Com, MBA (b) Chief Executive Officer (c) 47 (d) 5384361 (e) 25 (f) 14 January 2022 (g) Grasim Industries Ltd, Joint President & Regional Sales & Marketing Head (Pulp & Fibre Business), India , SAARC, EMEA & The Americas
2	Saha N.K.	(a) B.E. (Chem), MS (Pulp & Paper) (USA), M.I.E. (India) (b) Sr. Vice President (Projects & Development)-Paper (c) 71 (d) 8343497 (e) 49 (f) 1 June 2021 (g) Orient Paper & Industries Ltd , Sr Vice President (Projects and Development)-Paper

**Notes:**

- Remuneration includes actual payments and /or taxable value of perquisites and the Company's contribution to provident and other funds but excludes gratuity.
- Nature of appointment: Appointment of Mr. M. L. Pachisia, Managing Director, is contractual.
- Other terms and conditions: As per rules of the Company.
- The Managing Director is not a relative of any Director of the company.
- None of the employees was in receipt of remuneration in excess of that drawn by Managing Director.

**Other Details pertaining to remuneration**

(i) The percentage increase in remuneration of each Director, Chief Executive Officer , Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of the Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year 2021-22 (Rs. in Lacs)	% increase in remuneration in the financial year 2021-22	Ratio of remuneration of Each Director/ to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
1	Mr. C.K. Birla, Chairman	7.00	40.00	1.46	N.A
2	Ms. Gauri Rasgotra, Director	8.00	NIL	1.67	N.A
3	Mr. S. Vishvanathan, Director	17.50	29.63	3.65	N.A
4	Mr. Ashwin Bishnoi, Director	16.50	22.22	3.44	N.A
5	Mr. Raj Kumar Agrawal, Director	17.00	30.77	3.55	N.A
6	Mr. M.L. Pachisia, Managing Director	419.75	10.09	87.63	Not comparable#
7	Mr. Ashwin J .Laddha, Chief Executive Officer	53.84	Not comparable*	N.A.	Not comparable#
7	Mr. P. K. Sonthalia, President (Finance) & CFO	294.65	10.32	N.A	Not Comparable#
8	Mr. R.P. Dutta, Company Secretary	31.45	10.50	N.A	Not Comparable#

\*Not comparable as appointed w.e.f 14-01-2022

# Not Comparable in view of loss during the year.

- (ii) The median remuneration of employees of the Company during the financial year was Rs. 4.79 lacs p.a.
- (iii) In the financial year, there was an increase of 0.42 % in the median remuneration of employees.
- (iv) There were 1394 permanent employees on the rolls of Company as on March 31, 2022 .
- (v) Average percentile increase made in the salaries of the employees other than the managerial personnel in the last financial year i.e., 2021-22 was NIL whereas the percentile increase in the managerial remuneration for the same financial year was 6.28 %.
- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

Annexure VI

# Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

**Form for Disclosure of particulars of contract/arrangement/entered into by the company with related parties referred to in sub-section 188 of the Companies Act, 2013 including arms length transaction under third proviso thereto.**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

The Company has not entered into any contract/arrangement/transaction with its related parties, which is not in ordinary course of business or at arm's length during FY 2021-22. The Company has laid down policies and procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee and Board of Directors.

(Rs. in Lacs)

Name(s) of the related party and nature of relationship	Nature of contracts arrangements transaction	Duration of the contracts arrangements transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transaction	Date(s) of approval by the Board, if any	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Nil							

**2. Details of material contracts or arrangement or transaction at arm's length basis:**

(Rs. in Lacs)

Name(s) of the related party and nature of relationship	Nature of contracts arrangements / transaction	Duration of the contracts arrangements transactions	Salient terms of the contracts or arrangements or transactions	Salient terms of the contracts or arrangements or transaction including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance, if any
Nil *						

\* During the financial year 2021-22, no 'Material' contracts or arrangements or transactions were entered into with any related party of the Company, as per Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Related Party Policy of the Company.

**C. K. Birla**  
Chairman  
(DIN: 00118473)

# Management Discussion and Analysis

## Industry Structure & Development

The year under review was very encouraging with revamped economy post COVID-19 pandemic business challenges.

Till the 1st half of FY 2021-22, global and Indian Paper Industries were beset with crisis like no other. The 2nd half of FY 2021-22 showed hope amidst uncertainty. The latter half experienced ever highest demand for paper in history of Indian paper industry.

With re-opening of various sectors like educational institutions, offices, hotels and restaurants etc., post covid lockdown, opened great business opportunities, thus gathering much awaited economic pace. This on the other hand, entailed tremendous revamp in overall Indian economy which reflected in the expansion of GDP by approximately 8.9% in FY 2021-22.

Human resilience came to force due to tireless dedication of frontline Covid worriers and the relentless efforts of essential service providers.

Additionally, during this post pandemic period, the worldwide ocean freight prices were abnormally high, as a result, imported wastepaper prices were almost doubled. Consequently, the wastepaper-based industries either slowed down their production or stopped paper production facilities. Apart from wastepaper prices, all other imported inputs like chemicals, imported spares parts, price were also high. Profit margin also shrink for export due to high ocean freight. This has resulted in increased cost of all inputs, raw material and fuel.

## Writing & Printing Papers

As mentioned above, the Writing & Printing segment was significantly recovered post Covid resulting in Production and consumption of Writing & Printing papers growing up by as much as 31% YoY.

## Tissue papers

Domestic Tissue paper demand which has normally been growing at double digit rate before COVID which was also impacted significantly during COVID period, however it has been recovered significantly in 21-22 and Increased to 75% compare to 20-21 for OPM, but export markets was down by 14% in 21-22 Vs 20-21 due to abnormal jump of worldwide Ocean

Freight. However, by adding both Domestic & Export Tissue, there is increase of 38% realization value in 21-22 Vs 20-21

## Caustic soda

Due to coal problem in China, which resulted in less production in international market and hence hike in Caustic Soda price in international market. In India also the coal price and salt price increased which has resulted in abnormal price increase from September 2021 onwards for Caustic Soda.

## Review and analysis of our performance

The Company's performance for 1st Six months of the year was impacted adversely by lower volumes and price realization for its products due to the prevailing market conditions because of pandemic. However, both these factors improved sharply during the third and fourth quarter for FY 21-22 when the conditions started improving. It is expected that demand for the writing printing and tissue paper will sustain.

## Opportunities & Threats:

### Tissue papers

Orient is the largest producer of Tissue papers in India and has been successfully exporting a significant volume of its Tissue paper production to a number of countries. Growth of Tissue paper demand in the domestic market has also been growing steadily in double digit except during the period affected by pandemic.

We therefore see a major growth opportunity in the tissue paper segment.

### Writing & Printing papers

While the Writing & Printing segment is facing challenges in the short term, we believe once normalcy returns, we shall see a V shaped recovery due to emergence of the demand.

Further the impending changes in the education policy and curriculum are bound to create a huge demand for Writing & printing papers to meet the needs of new books etc.

### Pulping Capacity & efficiency

We are also in the process of increasing our pulping capacity which will reduce our dependency on imported pulp and provide a scope for increasing our

paper production capacity. The project which was put on hold for some time because of the pandemic but has since been cleared and is making good progress. Our target is to complete the same towards 2nd Quarter of FY 2022-23.

Therefore, while there are likely to be some challenges in the short term, we expect to come out stronger once normalcy returns.

### Coal Availability

We are sourcing coal from Coal India to meet our requirement, however, due to sudden increase in demand in domestic coal since 4th quarter of FY 21-22, there are restrictions from CIL to release coal to non-power segment which forcing industries to procure coal from open market at high cost. This has resulted in huge increase in cost of production due to extremely high market coal prices.

### Our performance for 2021-22

Our turnover for the year was higher at Rs. 585.65 crores compared to Rs. 443.36 crores last year.

Our net profit after tax was negative at (-) Rs. 28.88 crores this year.

We invested Rs. 127.00 crores on capital projects during the year.

Significant ratios:

		2021-22	2020-21
(i)	Debtors Turnover Ratio	25.06	17.39
(ii)	Inventory Turnover Ratio	8.62	6.05
(iii)	Interest Coverage Ratio*	-	-
(iv)	Current Ratio	0.46	0.72
(v)	Debt Equity Ratio	0.14	0.06
(vi)	Operating Profit Margin (%)*	-	-
(vii)	Return on Net Worth (%)*	-	-

\*Loss incurred during the year.

Reasons for significant changes in ratios have been explained in relevant sections above.

### Environment protection & compliance

We take pride in the fact that we comply with all the environmental norms and are the only integrated paper plant to have achieved zero liquid discharge to the river.

Our efforts in this direction have been well recognized by several organizations who have bestowed on

us a number of awards and certifications as shown elsewhere in this report.

### CSR

Corporate Social Responsibility has always been an integral part of our operating philosophy irrespective of the statutory requirement. As in the past, we have this year also spent more than our legal obligation on CSR activities. A detailed report of CSR initiatives FY 2021-22 is covered in a separate section forming part of this report

### Human resources and industrial relations

The Company continues its policy of continuous training and motivation to achieve greater efficiencies and competencies. The total number of permanent employees as of 31 March 2022 was 1394.

Industrial relations were harmonious. Safety, welfare and training at all levels of our employees continue to be the areas of major focus for the Company.

### Internal control systems and their adequacy

The Company has established adequate internal control systems, which provide reasonable assurances with regard to safeguarding Company's assets, promoting operational efficiencies and ensuring compliance with various statutory provisions. In addition to its own internal audit department, the company has retained Ernst & Young (EY) to regularly review internal control systems in business processes and verify compliance with the laid down policies and procedures. Reports of these internal audits are reviewed by the senior management and are also placed before and comprehensively discussed in meetings of the Audit Committee. The Audit Committee reviews the adequacy of internal control systems, audit findings and suggestions. The internal audit group also keeps a track of and monitors the progress on implementation of suggestions for improvements.

The Company's statutory auditors regularly interact with the Audit Committee to share their findings and the status of further improvement actions under implementation.

### Outlook

We are in the process of erection of new Recovery Boiler supplied by M/s Andritz and Evaporator by M/s Reotech which is a part of our modernization and upgradation plan along with pulp capacity enhancement. This is expected to be commissioned by Q2 FY 22-23.

We have engaged M/s Valmet for technical support for retrofitting of writing printing Paper Machine to enhance the speed to increase the productivity along with modernization. To enhance the efficiency for cost & volumes, various upgradation has been planned and shall be executed in FY 22-23 which will give better product quality, reduced cost and better volumes.

We are also enhancing the throughput of Tissue Machine -3 to its full capacity with the technical support from M/s Valmet (OEM). We will enhance all efficiencies with the technical collaboration of M/s Valmet. This will help us to capture major share of tissue market being the largest manufacturer of tissue in India.

### Cautionary statement

Statements in this report on Management discussion and analysis relating to the Company's objectives,

projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based upon certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, selling prices, raw material costs and availability, changes in government regulations and tax structure, general economic developments in India and abroad, factors such as litigation, industrial relations and other unforeseen events.

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

# Corporate Governance Report

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is essential for achieving long-term corporate goals and enhancing stakeholders' value. The Company's business objective and that of its management and employees is to manufacture and market the Company's products in such a way so as to create value that can be sustained on a long-term basis for all its stake-holders, including shareholders, employees, customers, government and the lenders. In addition to compliance with the regulatory requirements, the Company endeavours to ensure the highest standards of ethical conduct throughout the organization.

## 2. BOARD OF DIRECTORS

### 2.1 Board's Composition, Category and other relevant details of Directors

The Board of Directors comprises six members, consisting of five Non-Executive Directors who account for more than 80% of the Board's strength as against the minimum requirement of 50% as per the of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Out of six directors, four are Independent Directors. The Non-Executive Directors are eminent professionals with rich experience in business and industry, finance, law and public enterprises. Board's Composition, Category and other relevant details are as under:

Name of the Director	Category of the Director	Number of Directorship(s) held * (including the Company)	Number of Board Committee (s) of which he/she is a member ** (including the Company)	Number of Board Committee (s) of which he/she is a Chairman ** (including the Company)
Mr. Chandra Kant Birla (DIN 00118473)	Promoter, Non-Executive Chairman	8	-	-
Ms. Gauri Rasgotra (DIN 06862334)	Non-Executive Independent	2	2	2
Mr. Srinivasan Vishvanathan (DIN 02255828)	Non-Executive Independent	3	2	2
Mr. Ashwin Bishnoi (DIN 06862466)	Non-Executive Independent	2	2	-
Mr. Raj Kumar Agrawal (DIN 00177578)	Non-Executive Independent	2	2	-
Mr. Manohar Lal Pachisia*** (DIN 00065431)	Executive- Managing Director	8	4	-

\* Excluding Directorships in private limited companies, foreign companies and section 8 companies.

\*\* Includes the membership/chairmanship only of Audit Committee(s) and Stakeholders' Relationship Committee(s).

\*\*\* Ceased to be the Managing Director and Director of the Company with effect from 1st April, 2022.

### 2.2 The names of the other listed entities where directors of the Company are directors are as follows:

Name of the Director	Name of the other Listed Companies	Category of directorship
Mr. Chandra Kant Birla	Orient Cement Limited	Promoter, Non-executive Chairman
	Orient Electric Limited	Promoter, Non-executive Chairman
	HIL Limited	Promoter, Non-executive Chairman
	Birlasoft Limited	Non-executive Co-Chairman
Ms. Gauri Rasgotra	HIL Limited	Independent Director
Mr. Srinivasan Vishvanathan	Axis Bank Limited	Independent Director
Mr. Ashwin Bishnoi	-	-
Mr. Raj Kumar Agrawal	Indag Rubber Limited	Independent Director
Mr. Manohar Lal Pachisia	-	-

### 2.3 Details of sitting fee, remuneration, among others, paid to Directors:

- a) The Non-Executive Directors were paid sitting fees of Rs. 1,00,000/- for attending meeting of the Board/Audit Committee and sitting fees of Rs. 50,000/- was paid for attending meeting of other committees.

	Name of the Director	Remuneration paid during 2021-22 for attending meetings of the Board and/or Committees thereof (amount in Rupees)		
		Fee	Commission	Total
1.	Mr. Chandra Kant Birla	7,00,000	-	7,00,000
2.	Ms. Gauri Rasgotra	8,00,000	-	8,00,000
3.	Mr. Srinivasan Vishvanathan	17,50,000	-	17,50,000
4.	Mr. Ashwin Bishnoi	16,50,000	-	16,50,000
5.	Mr. Raj Kumar Agrawal	17,00,000	-	17,00,000
	<b>Total</b>	<b>66,00,000</b>	<b>-</b>	<b>66,00,000</b>

- b) The details of remuneration of Mr. Manohar Lal Pachisia, Managing Director\*:

Particulars	Remuneration ** (Amount in Rupees)
Salary	1,50,00,000
Perquisites & other benefits	1,79,25,303
Ex-gratia ***	50,00,000
Contributions to P.F./ Superannuation Fund	40,50,000
<b>Total</b>	<b>4,19,75,303</b>

\* Ceased to be the Managing Director of the Company with effect from 1st April, 2022.

\*\* Remuneration does not include Rs. 2,23,55,770/- paid towards gratuity.

\*\*\* As decided by the Nomination & Remuneration Committee and Board of Directors of the Company based upon performance.

**2.4 Number of Board Meetings held and attended by Directors**

- a. Seven meetings of the Board of Directors were held during the year ended 31st March, 2022 on 28th June, 2021, 13th August, 2021, 27th September, 2021, 13th November, 2021, 14th January, 2022, 14th February, 2022 and 30th March, 2022.
- b. The attendance record of each of the Director at the Board meetings during the year ended 31st March, 2022 and of the last Annual General Meeting is as under:

Name of the Director	Number of Board Meeting attended	Attendance at the last AGM
Mr. Chandra Kant Birla	7	Yes
Ms. Gauri Rasgotra	4	No
Mr. Srinivasan Vishvanathan	7	No
Mr. Ashwin Bishnoi	7	Yes
Mr. Raj Kumar Agrawal	7	No
Mr. Manohar Lal Pachisia	7	Yes

**2.5 Disclosure of relationships between directors inter-se**

There is no relationship between directors inter-se.

**2.6 Details of shares held by Directors**

Name of the Director	Number of shares held
Mr. Chandra Kant Birla	34,05,893
Ms. Gauri Rasgotra	Nil
Mr. Srinivasan Vishvanathan	Nil
Mr. Ashwin Bishnoi	Nil
Mr. Raj Kumar Agrawal	Nil
Mr. Manohar Lal Pachisia	37,948

**2.7 Familiarisation Programme**

At the time of appointing a Director, a formal letter of appointment is given to the Director, which inter alia explains the role, functions,

duties and responsibilities expected from him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant Acts, Rules and Regulations. With a view to familiarise him with the Company's operations, the Managing Director has a personal discussion with the newly appointed Director.

At various Board meetings during the year, quarterly presentations are made on operations that include information on business performance, operations, projects, market share, financial parameters, working capital management, fund flows etc.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfil his role as a Director of the Company. Details of the familiarisation programme imparted to the Independent Directors are displayed on the website of the Company [www.orientpaperindia.com](http://www.orientpaperindia.com).

**2.8 The skills/expertise/competence of the Board of Directors requires for the Company can be broadly categorised as follows:**

• Knowledge of Industry	• Financial Experience	• Risk Management
• Effective leadership	• Corporate Sustainability and Responsibility	• Innovation and Research and Development

The Board is skill-based comprising of directors who collectively have the skills, knowledge and competencies to effectively govern and direct the organisation.

The skills, knowledge and competencies required on the Board will change as the organisation evolves.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above. All the Directors of the Company have the skills, knowledge and competencies to effectively govern and direct the organization.

**3. AUDIT COMMITTEE**

3.1 The Board has constituted a well-qualified Audit Committee. The terms of reference of the Audit Committee cover the matters specified for audit committees under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as well as provisions of the Companies Act, 2013 which broadly includes:

- (i) Review of financial reporting processes
- (ii) Review of risk management, internal control and governance processes
- (iii) Review of quarterly, half yearly and annual financial statements
- (iv) Interaction with statutory, internal and cost auditors
- (v) Review of related party transactions

3.2 The Audit Committee comprises of four Non-Executive Independent Directors, namely:

- (1) Mr. Srinivasan Vishvanathan (2) Ms. Gauri Rasgotra (3) Mr. Ashwin Bishnoi
- (4) Mr. Raj Kumar Agrawal

Mr. Srinivasan Vishvanathan is the Chairman of the Committee.

3.3 Six meetings of the Audit Committee were held during the year ended 31st March, 2022 on 26th June, 2021, 13th August, 2021, 1st November, 2021, 12th November, 2021, 14th February, 2022 and 30th March, 2022.

3.4 The attendance of each Audit Committee member was as under:

Name of the member	Number of meetings attended
Mr. Srinivasan Vishvanathan	6
Ms. Gauri Rasgotra	3
Mr. Ashwin Bishnoi	6
Mr. Raj Kumar Agrawal	6

3.5 At the invitation of the Company, Statutory Auditors and Internal Auditors attended the meetings. The Managing Director, President (Finance) & CFO and the Head of internal audit attended the Audit Committee Meetings, as and when required, to brief the Committee and to answer and clarify queries raised at the Committee meetings. The Company Secretary

acts as the Committee's Secretary. In addition, other concerned officers of the Company/external agencies/ professionals also attended whenever invited to the Audit Committee meetings to brief the Committee and clarify any queries raised by the Committee, as and when required.

3.6 Mr. Somnath Mukherjee, Cost Accountant was appointed as the Cost Auditor of the Company for the financial year 2021-22. The Company has maintained the cost accounts and records pertaining to the products under audit as required which have been duly audited by the Cost Auditor. Cost audit report for the financial year 2020-21 was filed on 9th September, 2021.

**4. NOMINATION & REMUNERATION COMMITTEE**

4.1 The terms of reference of the Committee, inter alia, include the following:

- a. formulating criteria for determining qualifications, positive attributes and independence of a Director for the purpose of this Policy;
- b. advising the Board on issues concerning principles for remuneration and other terms of employment including remuneration for the Directors (including Non-Executive Directors), KMPs and the Senior Management Personnel;
- c. monitoring and evaluating programs for variable remuneration, both on-going and those that have ended during the year, for the Directors (including Non-Executive Directors), KMPs and the Senior Management;
- d. monitoring and evaluating the application of this Policy;
- e. monitoring and evaluating current remuneration structures and levels in the Company.

In reviewing the overall remuneration of the Board of Directors and Senior Management, efforts are made to ensure that remuneration of the Non-Executive Directors and the Executives matches the level in comparable companies, whilst also taking into consideration their required competencies, effort and the scope of the work and/or responsibility as the senior management.

4.2 The Nomination & Remuneration Committee of the Directors of the Company comprises three Independent Directors, namely 1) Mr. Srinivasan Vishvanathan, (2) Mr. Ashwin Bishnoi and (3) Mr. Raj Kumar Agrawal.

Mr. Srinivasan Vishvanathan is the Chairman of the Committee. The Company Secretary is the Secretary to the Committee.

4.3 Five meetings of the Nomination & Remuneration Committee were held during the year on 28th June, 2021, 13th August, 2021, 27th September, 2021, 14th January, 2022 and 30th March, 2022.

The attendance of each Committee member was as under:

Name of the member	Meetings attended
Mr. Srinivasan Vishvanathan	5
Mr. Ashwin Bishnoi	5
Mr. Raj Kumar Agrawal	5

#### 4.4 Remuneration Policy

The Nomination and Remuneration Committee (NRC) has adopted a Nomination and Remuneration Policy which, inter alia, deals with manner of selection and determining remuneration of the directors and executives of the Company. The extracts of the contents of the Policy are as under:

##### a) Remuneration to Executive Directors and KMPs:

Remuneration structure of the Executive Directors and KMPs may include the following components:

Fixed Salary:

- Executive Directors and KMP shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Act, and the rules made thereunder, and / or Listing Regulations, for the time being in force. The monthly remuneration shall include basic salary, special pay, house rent allowance (as per statutory limits) and other components as may be considered appropriate.
- The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, gratuity, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee within the statutory limits, wherever applicable and approved by the

shareholders and Central Government, wherever required.

Variable components:

- The Executive Director and KMP participate in a performance linked variable pay scheme which will be based on the individual and Company's performance for the year, pursuant to which the Executive Director and KMP are entitled to performance-based variable remuneration.

Reimbursement of Expenses:

- The Executive Directors and KMPs are also entitled for reimbursement of several work-related expenses, including car, telephones, broadband at home, and work-related newspapers and magazines as per statutory provisions. However, reimbursement of these expenses incurred for official purposes shall not be part of the remuneration.

Subsequent Change / Increments:

Any subsequent change / increments in the remuneration of Executive Directors shall be approved by the Board in accordance with the recommendation of the Committee, subject to the statutory provisions and the approval of the shareholders and Central Government, wherever required.

##### b) Remuneration to Non-Executive Directors:

Remuneration to Non-Executive Directors (including independent Directors) on the Board may consist of the following components:

Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act for per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Profit related commission:

The Non-Executive Directors are entitled to profit related commission at such percentage, not exceeding the limit prescribed in the

Act, of the net profits of the Company, as shall be approved by the shareholders of the Company.

However, the Board, on the recommendation of the Committee, shall review and approve the remuneration payable to Non-Executive Directors (including Independent Directors) of the Company within the overall limits approved by the shareholders (excluding sitting fees), wherever such approval is required. The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single Non-Executive Director exceeds fifty per cent of the total annual remuneration payable to all Non-Executive Directors, giving details of the remuneration thereof.

Reimbursement of expenses:

The Non-Executive Directors shall be reimbursed with the expenses in connection with Board and committee meetings.

##### c) Provisions for excess remuneration:

If any Director draws or receives, directly or indirectly by way of remuneration any such sum in excess of the limits prescribed under the Act or without approval as may be required under the Act, he/she shall refund such sum to the Company within a period of two years or such lesser period as may be specified by the Board, and until such sum is refunded, hold it in trust for the Company.

##### d) Remuneration to Senior Management Personnel:

- The Board, on the recommendation of the Committee, shall review and approve the remuneration payable to the Senior Management Personnel of the Company, which shall include all remuneration payable, in whatever form.
- Where any insurance is taken by the Company on behalf of its Senior Management Personnel for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty,

the premium paid on such insurance shall be treated as part of the remuneration.

iii. Remuneration to Senior Management Personnel may consist of the following components:

Fixed pay:

- Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee.
- The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by Board on the recommendation of the Committee.

Variable components:

The Senior Management Personnel participate in a performance linked variable pay scheme which will be based on the individual and Company's performance for the year, pursuant to which the Senior Management Personnel may be entitled to performance-based variable remuneration.

##### Evaluation of Performance of Directors, Board as a whole and Committees thereof

Performance Evaluation criteria of Directors, Board as a whole and Committees thereof is as follows:

- At least one meeting of the Independent Directors be held in a financial year.
- Independent Directors, in their meeting, shall:
  - review the performance of non-independent directors and the Board as a whole;
  - review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
  - assess the quality, quantity and timeliness of flow of information between the Company's management and the Board, that is necessary

for the Board to effectively and reasonably perform their duties.

Independent Directors will do the above evaluation based on structured questionnaires.

- c. Report of performance evaluation done by the Independent Directors to be submitted to the Chairman of the Board / authorised Director / official in sealed envelope.
- d. Board of Directors will evaluate the performance of the Board, its Committees and the Executive, Non-Executive and Independent Directors in the financial year. The Director being evaluated will not participate in his own evaluation process. Set of structured questionnaires to be circulated to the Board / Committee Members. Evaluation to be carried based on responses of individual Directors / Committee Members on the questionnaires.
- e. The final report of performance evaluation as stated above shall be kept either in the custody of the Chairman of the Board or such other official as may be so authorized.
- f. Committee shall review the performance evaluation process.

The policy is also posted on the website of the Company [www.orientpaperindia.com](http://www.orientpaperindia.com).

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

5.1 The scope/terms of reference to the Stakeholders Relationship Committee are as under:

- a. Resolving the grievances of 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.
- b. Review of measures taken for effective exercise of voting rights by shareholders.
- c. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- d. 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.

5.2 The Committee comprises two Non-Executive Independent Directors, namely, Ms. Gauri Rasgotra, Mr. Srinivasan Vishvanathan and an Executive Director, Mr. Manohar Lal Pachisia.

Ms. Gauri Rasgotra is the Chairperson of the Committee.

Mr. R. P. Dutta, the Company Secretary is the Compliance Officer.

During the year ended 31st March, 2022, 83 numbers of complaints received from the shareholders and were attended in time and there were no grievances pending as on 31st March, 2022. There were no share transfers pending for registration for more than 15 days as on 31st March, 2022.

5.3 One Stakeholders Relationship Committee meeting was held on 13th August, 2021. The attendance of each Committee member was as under:

Name of the member	Meetings attended
Ms. Gauri Rasgotra	-
Mr. Srinivasan Vishvanathan	1
Mr. Manohar Lal Pachisia*	1

\*Mr. Manohar Lal Pachisia ceased to be member of the Committee with effect from 1st April, 2022. Mr. Ashwin J. Laddha, Managing Director & CEO of the Company has been inducted as the member of the Committee with effect from 1st April, 2022.

## 6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Corporate Social Responsibility ("CSR") at Orient Paper & Industries Limited portrays the deep symbiotic relationship that the Company enjoys with the communities it is engaged with. As a responsible corporate citizen, we try to contribute for social and economic development on regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behaviour towards its employees, consumers and societies in which it operates. We are of opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholder's lives.

6.1 The Scope of the CSR Committee broadly includes -

- (i) Formulate and review the CSR Policy;
- (ii) Formulate and recommend to the Board for its approval, an annual action plan every financial year outlining the following:
  - a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - b) the manner of execution of such projects or programmes;
  - c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - d) monitoring and reporting mechanism for the projects or programmes; and
  - e) details of need and impact assessment, if any, for the projects undertaken by the Company.

6.2 The CSR Committee comprises two Non-Executive Independent Directors namely Ms. Gauri Rasgotra, Mr. Ashwin Bishnoi and an Executive Director, Mr. Manohar Lal Pachisia. Ms. Gauri Rasgotra is the Chairperson of the Committee.

The Company Secretary acts as Secretary to the Committee.

6.3 One CSR Committee meeting was held on 28th June, 2021. The attendance of each Committee member was as under:

Name of the member	Meetings attended
Ms. Gauri Rasgotra	1
Mr. Ashwin Bishnoi	1
Mr. Manohar Lal Pachisia*	1

\*Mr. Manohar Lal Pachisia, ceased to be member of the Committee with effect from 1st April, 2022. Mr. Ashwin J. Laddha, Managing Director & CEO of the Company has been inducted as the member of the Committee with effect from 1st April, 2022.

The policy is also posted on the website of the Company [www.orientpaperindia.com](http://www.orientpaperindia.com).

## 7. RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company has constituted a Risk Management Committee ('RMC') in terms of the requirements under Regulation 21 of the Listing Regulations as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, dated 5th May, 2021. The Risk Management Committee, inter alia, shall frame, implement and monitor the Risk Management Plan for the Company.

7.1 The Scope/Terms of Reference of RMC broadly includes -

- i. To formulate a risk management policy of the Company which shall include:
  - a. A framework for identification of internal and external risks, in particular including financial, operational, sectoral, strategic, compliance, reputational, sustainability (particularly, ESG related risks), business continuity plan, 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.
- ii. To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company
- iii. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems
- iv. To keep the Board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken.
- v. Ensuring compliance with regulatory requirements and best practices with respect to risk management.
- vi. Submit half-yearly report on effectiveness of Risk Management Framework to the Board of Directors and Audit Committee.

7.2 The composition of the Risk Management Committee is as under:



Name of the Member	Category of Directors
1) Mr. Raj Kumar Agrawal	Independent Director
2) Ms. Gauri Rasgotra	Independent Director
3) Mr. S. Vishvanathan	Independent Director

Mr. Raj Kumar Agrawal is the Chairperson of the Committee.

The Company Secretary acts as Secretary to the Committee.

7.3 Two meetings of the Risk Management Committee were held on 15th March, 2022 and 29th March, 2022. The attendance of each Committee member was as under:

Name of the member	Meetings attended
Mr. Raj Kumar Agrawal	2
Ms. Gauri Rasgotra	1
Mr. S. Vishvanathan	2

## 8. DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Dividend Distribution Policy duly approved by the Board is available on the website of the Company and can be accessed at [https://orientpaperindia.com/codes-policies//Dividend\\_Distribution\\_Policy.pdf](https://orientpaperindia.com/codes-policies//Dividend_Distribution_Policy.pdf).

## 9. MEETING OF THE INDEPENDENT DIRECTORS

During the year under review, a meeting of the Independent Directors held on 29th March, 2022, inter alia to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary

for the Board to effectively and reasonably perform its duties.

All the Independent Directors except Ms. Gauri Rasgotra attended the meeting.

On the basis of declarations/certificates received, the board confirms that in its opinion, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management.

## 10. WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement in line with the objective of strengthening the Governance mechanism and to report to the Audit Committee instances of illegal or unethical practices, behaviour, actual or suspected fraud or violation of the Company's code of conduct.

All stakeholders including directors and individual employee(s) & their representative bodies are eligible to make Protected Disclosures under this Policy. The policy is also posted on the website of the Company [www.orientpaperindia.com](http://www.orientpaperindia.com).

All protected disclosures should be addressed to the designated officer or in exceptional Circumstances to the Chairman of the Audit Committee.

### The contact details of the Designated Officer are:

The Company Secretary  
Orient Paper & Industries Limited  
Birla Building, 9th floor, 9/1, R. N. Mukherjee Road  
Kolkata 700001  
email: [cosec@opil.in](mailto:cosec@opil.in)

### The contact details of the Chairman of the Audit Committee are:

The Chairman of the Audit Committee  
C/o The Company Secretary  
Orient Paper & Industries Limited  
Birla Building, 9th floor, 9/1, R. N. Mukherjee Road  
Kolkata 700 001

Protection will be given to Whistle Blowers against any unfair practice. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Disclosure. No person was denied access to the Audit Committee.

## 11. GENERAL BODY MEETINGS

### 11.1 The details of Annual General Meeting held in last three years are as under:

Year	Day	Date	Time	Venue	Whether Special Resolution passed
2018-19	Friday	19.07.2019	11.00 AM	Unit - VIII, Plot no. 7, Bhoinagar, Bhubaneswar 751012	Yes
2019-20	Thursday	27.08.2020	11.00 AM	Through Video Conferencing /Other Audio-Visual Means	Yes
2020-21	Friday	27.08.2021	11.00 AM	Through Video Conferencing /Other Audio-Visual Means	Yes

### 11.2 Postal Ballot

The Company has passed special resolution through Postal Ballot during the Financial year 2021-22, for re-appointment of Mr. M. L. Pachisia as the Managing Director of the Company for a period of six months from 1st October, 2021 to 31st March, 2022.

Date of Notice: 6th October, 2021

Date of Declaration of Results: 9th November, 2021

Sl. No.	Description of Resolutions	Type of Resolutions	No. of valid votes received	No. and % of votes in favour	No. and % of votes in against
(i)	Re-appointment of Mr. M. L. Pachisia as Managing Director of the Company for a period of six months from 1st October, 2021 to 31st March, 2022.	Special	127525985	127374625 (99.8813%)	151360 (0.1187%)

Mr. Atul Kumar Labh, Practising Company Secretary (Membership No. FCS 4848), of M/s. A.K. Labh & Co., Company Secretaries, Kolkata, was appointed as the Scrutinizer to scrutinize the Postal ballot voting process, in a fair and transparent manner.

The Company has followed the procedure prescribed for conduct of Postal ballot under the provisions of the Companies Act, 2013, rules made thereunder along with the Ministry of Corporate Affairs circular read with the Listing Regulations.

A postal ballot is in progress to obtain approval of the shareholders by way of special resolution for appointment of and payment of remuneration to Mr. Ashwin J. Laddha as Managing Director &

CEO of the Company with effect from 1st April, 2022. The e-voting period commenced on 4th May 2022 and shall end on 2nd June 2022.

## 12. MEANS OF COMMUNICATION

Quarterly/half yearly and annual financial results are normally published in one English daily newspaper circulating in the whole/substantially the whole of India and in one daily newspaper published in Oriya language and are promptly furnished to the stock exchanges for display on their respective websites. The results are also displayed on the website of the company [www.orientpaperindia.com](http://www.orientpaperindia.com). Management Discussion & Analysis forms part of the Annual Report.

Presentations made to institutional investors or to the analysts, if any, are promptly displayed

on the website of the Company and along with transcripts of calls.

### 13. FINANCIAL CALENDAR (FY 2022-23)

First quarterly results	Before 14th August, 2022
Second quarterly results	Before 14th November, 2022
Third quarterly results	Before 14th February, 2022
Audited yearly results for the year ending 31 March 2023	Before end of May 2023

### 14. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

A Code of Conduct as applicable to the Directors and the members of the senior management was approved by the Board and the same is being duly abided by all of them. Declaration to this effect was obtained from the Managing Director and is annexed herewith.

### 15. CEO/CFO Certificate

The Managing Director & CEO and Chief Financial Officer have issued certificate pursuant to the Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed herewith.

### 16. COMPLIANCE CERTIFICATE

Compliance certificate for Corporate Governance from auditors of the Company is annexed herewith.

A certificate from a company secretary in practice confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is annexed herewith.

## 17. GENERAL SHAREHOLDER INFORMATION

### 17.1 Annual General Meeting ("AGM")

Day & Date: Wednesday, 10th August, 2022  
Time: 11 AM  
Mode: Video Conferencing/Audio Visual Means

### 17.2 Financial Year

The Company follows 1st April to 31st March as Financial year.

### 17.3 Dividend Payment Date

Dividend for the year 2021-22

(subject to approval by the shareholders) :  
Within 30 days from the date of AGM

### 17.4 Listing on stock exchanges

The equity shares of the Company are listed at the following stock exchanges:

(i) **BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001

(ii) **National Stock Exchange of India Limited**

"Exchange Plaza", C-1, Block G, Bandra Kurla Complex,

Bandra (East), Mumbai - 400051

The Annual Listing fee for the year 2021-22 has been paid to the aforesaid stock exchanges. The Company has also paid the Annual Listing fees to the stock exchanges for the year 2022-23.

### 17.5 Stock code

BSE Limited 502420  
National Stock Exchange of India Limited. ORIENTPPR

### 17.6 Book Closure

From 4th August, 2022 to 10th August, 2022 (both days inclusive).

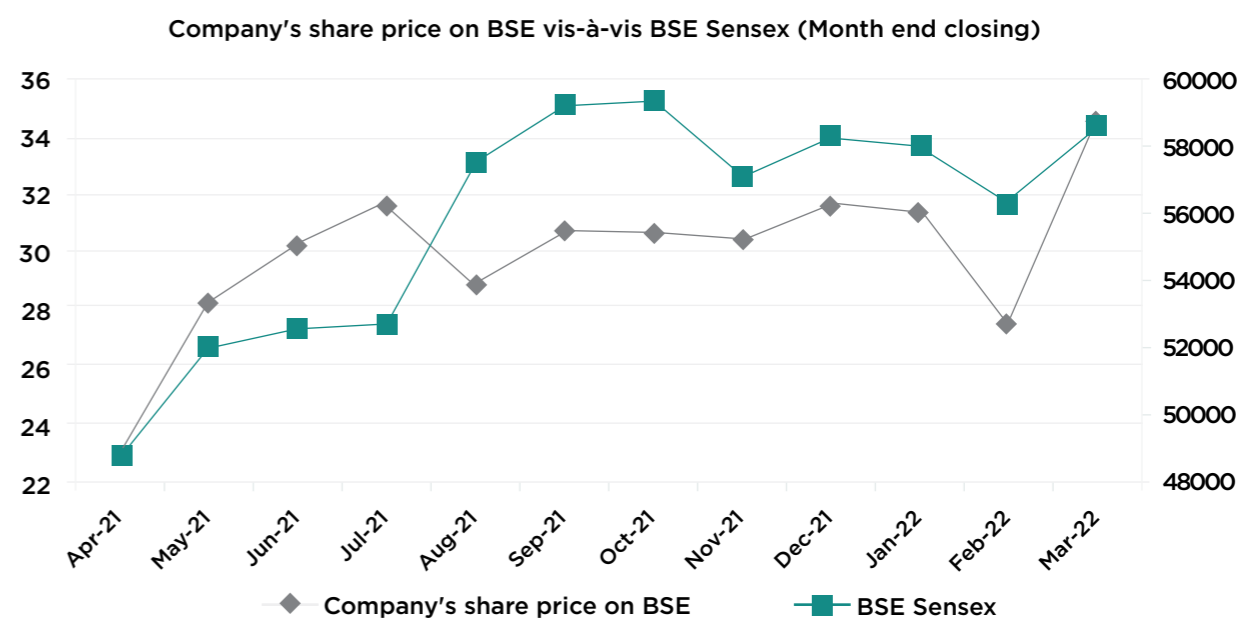
## 17.7 Market price data

The details of monthly highest and lowest quotations of the Company's equity shares on National Stock Exchange of India Ltd (NSE) and BSE Ltd. during financial year 2021-22 are as under:

Month	BSE		NSE	
	High	Low	High	Low
April 2021	26.50	21.45	26.40	21.35
May 2021	28.70	22.45	28.70	22.30
June 2021	32.90	26.30	32.90	26.35
July 2021	33.40	28.25	33.40	28.25
August 2021	33.85	26.30	33.90	26.30
September 2021	33.20	28.65	33.25	28.60
October 2021	35.85	29.90	35.90	30.00
November 2021	39.40	29.40	39.40	29.40
December 2021	33.50	30.00	33.55	30.00
January 2022	36.00	30.15	36.00	30.10
February 2022	34.25	25.60	34.30	25.05
March 2022	35.10	26.05	35.20	26.05

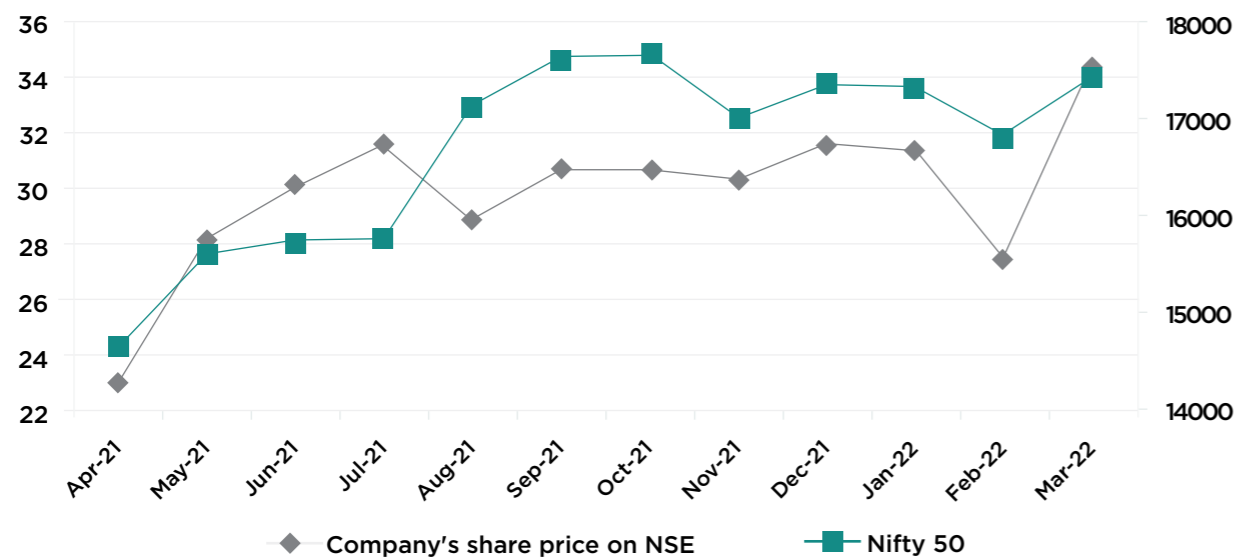
## 17.8 Performance in comparison to broad based indices:

- i. Company's share price on BSE vis-à-vis BSE Sensex (Month end closing)



Company's share price on NSE vis-à-vis Nifty 50 (Month end closing)

ii. Company's share price on NSE vis-à-vis Nifty 50 (Month end closing)



17.9 Registrar and Share Transfer Agent (RTA)

KFin Technologies Limited  
Selenium Tower B, Plots No. 31 & 32,  
Financial District, Nanakramguda  
Hyderabad 500032 (Telangana)  
Toll free no. 1800 309 4001  
Email: einward.ris@kfintech.com  
Website: www.kfintech.com

17.10 Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Officers of the Registrars are authorised to approve transfers.

17.11 Distribution of shareholding as on 31st March, 2022

No. of equity shares	No. of holders	% of holders	No. of shares	% of total shares
1 - 5000	68481	97.09	29398168	13.85
5001 - 10,000	1065	1.51	8172351	3.85
10,001 - 20,000	513	0.73	7488795	3.53
20,001 - 30,000	162	0.23	4088250	1.93
30,001 - 40,000	68	0.10	2454374	1.16
4,0001 - 50,000	42	0.06	1977123	0.93
50,001 - 100,000	94	0.13	6620804	3.12
1,00,001 and above	107	0.15	151985637	71.63
<b>Total</b>	<b>70532</b>	<b>100</b>	<b>212185502</b>	<b>100</b>

17.12 Shareholding pattern as on 31st March, 2022

Category of Shareholder	No. of holders	No. of shares	% of total shares
1. PROMOTER AND PROMOTER GROUP	17	82193294	38.74
2. PUBLIC			
<b>2.A. Institution</b>			
Mutual funds	3	18483220	8.71
Foreign Portfolio Investors	15	1681899	0.79
Banks	9	147660	0.07
Overseas Corporate Bodies	2	3813748	1.80
<b>2.B. Non-Institutions</b>			
Resident Individuals	67844	67208994	31.67
NBFC	1	2000	0.00
Trusts	7	828940	0.39
Non-Resident Indians	543	1478250	0.70
Clearing Members	89	1594243	0.75
Non-Resident Indian Non Repatriable	267	723474	0.34
Bodies Corporate	407	29699056	14.00
Qualified Institutional Buyer	1	506096	0.24
IEPF	1	880502	0.41
HUF	1326	2944126	1.39
<b>Total</b>	<b>70532</b>	<b>212185502</b>	<b>100</b>

17.13 Dematerialisation of equity shares and liquidity

As on 31st March 2022, 99.65% of the Paid-up equity share capital is held in Dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited.

	NSDL	CDSL	Physical	Total
Shares (nos.)	173747284	37696327	741891	212185502
Share (%)	81.88	17.77	0.35	100

Under the depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE592A01026.

**17.14 Commodity price risk or foreign exchange risk and hedging activities**

The Company is not having much exposure to foreign exchange and there is a natural hedge available in terms of exports made by the Company.

The Company manages fluctuations in raw materials prices through stocking by advance procurement when prices are perceived to be low and also by entering into periodic buying contracts as strategic sourcing initiative to keep raw material availability and prices in check.

**17.15 Unclaimed Shares in demat suspense account/ unclaimed suspense account**

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

**17.16 Payment of fees to the Auditors**

Total fees paid to the Statuary Auditor for Audit and other services: Rs. 25.00 lacs.

**17.17 Plants (manufacturing units):**

- a. Orient Paper Mills, P.O. Amlai, Dist. Shahdol- 484117 (MP)
- b. Orient Paper Mills, P.O. Brajrajnagar, Dist. Jharsuguda -768216 (Odisha)

**17.18 Address for correspondence:**

Orient Paper & Industries Limited  
Birla Building, 9th Floor, 9/1, R. N. Mukherjee Road, Kolkata - 700001 (WB)  
Email ID: cosec@opil.in  
Ph: 033 4082 3700/22200600

**17.19 Credit ratings**

Care Ratings Limited has given the credit rating of CARE A+ (Single A Plus)/Negative for long term bank facilities and CARE A1+ (A One Plus) for short term bank facilities. The details of Credit Ratings are available on the website at <http://www.orientpaperindia.com/rating>

**18. OTHER DISCLOSURES**

- i) There were no material related party transactions that may have potential conflict with the Company's interest at large.

- ii) No penalties or strictures were imposed on the Company by stock exchanges or the SEBI or any statutory authority on any matter related to capital markets during the last three years.
- iii) During the year under review, there were no instances wherein recommendation of any Committee of the Board, which is mandatorily required for approval of the Board, were not accepted by the Board.
- iv) Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
  - a) No. of complaints filed during the year: Nil
  - b) No. of complaints disposed by the committee during the year: Nil
  - c) No. of complaints pending before the committee as on end of the financial year: Nil
- v) The Board of Directors periodically reviews compliance reports pertaining to all laws applicable to the Company and takes steps to rectify instances of non-compliances, if any.
- vi) The Company has plans in place for orderly succession for appointment to the Board of Directors and senior management.
- vii) The Company has disseminated all the information on its website [www.orientpaperindia.com](http://www.orientpaperindia.com) in terms of the Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- viii) All the information required to be placed in terms of the Part A of Schedule II to the Regulation are regularly placed before the Board of Directors of the Company.
- ix) The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

The above report was placed before the Board at its meeting held on 29th May, 2022 and was approved.

# Declaration Regarding Code of Conduct

The Board of Directors  
Orient Paper & Industries Limited

This is to confirm that the Company has received affirmation of compliance with "The Code of Conduct for Directors and Senior Executives" from all the Directors and Senior Executives of the Company to whom the same is applicable, for the year ended 31st March, 2022.

**Ashwin J. Laddha**  
Managing Director & CEO  
(DIN: 09538310)

Amlai, 29th May, 2022

## CEO/CFO Certificate

The Board of Directors  
Orient Paper & Industries Limited

We hereby certify that: -

- a) We have reviewed financial statement and the cash flow statement for the financial year 2021-22 and that to the best of our knowledge and belief: -
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) these statements, present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2021-22 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept the responsibility of establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the 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 internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee
  - i) Significant changes in internal control during the said financial year
  - ii) Significant changes in accounting policies during the said financial year and that the same have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Thanking you,

**Ashwin J. Laddha**  
Managing Director & CEO  
(DIN: 09538310)

**P.K. Sonthalia**  
President (Finance) & CFO  
(PAN: ALQPS6822D)

Kolkata, 29th May, 2022

# 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 of  
**Orient Paper & Industries Limited**  
Unit VIII, Plot No. 7  
Bhoinagar, Bhubaneswar - 751 012  
Odisha

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Orient Paper & Industries Limited** having CIN : L21011OR1936PLC000117 and having registered office at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751 012, Odisha (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 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) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Chandrakant Birla	00118473	29.09.1978
2.	Manohar Lal Pachisia	00065431	23.09.2008
3.	Gauri Rasgotra	06862334	26.09.2014
4.	Srinivasan Vishvanathan	02255828	25.03.2019
5.	Ashwin Bishnoi	06862466	01.08.2019
6.	Raj Kumar Agrawal	00177578	27.01.2020

Ensuring the eligibility of 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 has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also 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.

Signature :

Name : CS Atul Kumar Labh  
Membership No. : FCS 4848  
CP No. : 3238  
PRCN : 1038/2020  
UIN : S1999WBO26800  
UDIN : F004848D0000421748

Place : Kolkata  
Date : 29th May, 2022

# Auditors' Certificate regarding compliance of conditions of Corporate Governance

To  
the Members of  
**Orient Paper & Industries Limited**

We have examined the compliance of conditions of Corporate Governance by **Orient Paper & Industries Limited**, for the year ended March 31, 2022 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and 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) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, except for the non attendance of the chairmen of the Audit Committee and Stakeholders Relationship Committee in the Annual General Meeting of the Company held on August 27, 2021 as required under the Regulations 18(1)(d) and 20(3) of the SEBI Listing Regulations, 2015, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/ E-300009

**Avijit Mukerji**  
Partner

Kolkata  
May 29, 2022

Membership Number 056155  
UDIN: 22056155AJVJY5462

# Business Responsibility Report

FOR THE FINANCIAL YEAR 2021-22

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L21011OR1936PLC000117								
2.	Name of the Company	Orient Paper & Industries Limited								
3.	Registered address	Unit VIII, Plot no. 7, Bhoinagar, Bhubaneswar, Odisha 751012, India								
4.	Website	www.orientpaperindia.com								
5.	E-mail id	pks@opil.in								
6.	Financial year reported	2021-22								
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	<table border="1"> <thead> <tr> <th>Group</th> <th>Class</th> <th>Sub class</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>170</td> <td>1701</td> <td>-</td> <td>Manufacturer of Pulp, Paper &amp; Paper boards</td> </tr> </tbody> </table>	Group	Class	Sub class	Description	170	1701	-	Manufacturer of Pulp, Paper & Paper boards
Group	Class	Sub class	Description							
170	1701	-	Manufacturer of Pulp, Paper & Paper boards							
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	The Company manufactures the following products: - 1) Writing & Printing grades 2) Tissue papers 3) Caustic soda and its derivatives								
9.	Total number of locations where business activity is undertaken by the Company  (a) Number of International Locations (Provide details of major 5) b) Number of National Locations	Nil One								
10.	Markets served by the Company - Local/State/National/International	National & International								

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	21.22 crores
2.	Total Turnover (INR)	585.65 crores
3.	Total profit after taxes (INR)	(-) 28.88 crores
4.	Total spending on Corporate Social Responsibility (CSR)	The Company has spent Rs. 94.30 lacs during the financial year 2021-22 on CSR activities
5.	List of areas in which expenditure in 4 above has been incurred:	<ul style="list-style-type: none"> <li>a. Healthcare and Sanitation</li> <li>b. Education and</li> <li>c. Rural development</li> </ul>

## SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	No.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	N.A.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	None

## SECTION D: BR INFORMATION

1.	Details of Director/Directors responsible for BR		
	(a) Details of the Director/Director responsible for implementation of the BR policy/policies		
	1. DIN Number	09538310	
	2. Name	Shri Ashwin J. Laddha	
	3. Designation	Managing Director & CEO	
	(b) Details of the BR head		
	<b>No.</b>	<b>Particulars</b>	<b>Details</b>
	1.	DIN Number (if applicable)	
	2.	Name	Shri Pradeep Kumar Sonthalia
	3.	Designation	President (Finance) & CFO
	4.	Telephone number	033 2248 3406
	5.	e-mail id	pks@opil.in
2.	Principle-wise (as per NVGs) BR Policy/ policies (Reply in Y/N):		
	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		
	P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.		
	P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.		
	P3 - Businesses should promote the well-being of all employees.		
	P4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.		
	P5 - Businesses should respect and promote human rights.		
	P6 - Businesses should respect, protect and make efforts to restore the environment.		
	P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.		
	P8 - Businesses should support inclusive growth and equitable development.		
	P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.		

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y Note-3	Y	Y	Y	Y		Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y		Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Y	Y Note-4	Y	Y Note-5	Y	Y		Y Note-7	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Note-1	-	N	Y	N	N		Y	N
5.	Does the Company have a specified committee of Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y		Y	Y
6.	Indicate the link for the policy to be viewed online?	*	*	*	*	*	*	Note-6	*	*
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y		Y	Y
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y		Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y		Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y Note 2	Y	N	Y	Y	Y		Y	N

**If answer to Sr. No. 1 against any principle is 'No', please explain why (tick up to 2 options) - Not applicable**

1. The Company has not understood the principles.
2. The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.
3. The Company does not have financial or manpower resources available for the task.
4. It is planned to be done with in next six months.
5. It is planned to be done with in next one year.
6. Any other reason.

**\*Weblink for following policies is <http://orientpaperindia.com/codes-policies#>**

- Principle 1: Code of Conduct for Directors and Senior Management Whistle Blower Policy
- Principle 2: Quality, Environment & Occupational Health and Safety Policy Energy Management Policy
- Principle 3: HR Manual
- Principle 4, 8: CSR Policy
- Principle 5: Human Rights Policy
- Principle 6: Environment Policy, Sustainability Policy
- Principle 9: Customer Care Policy

**Note 1:-** The Code of Conduct for Directors and Senior Management and the Whistle Blower Policy of the Company are approved by the Board of Directors of the Company and are signed by the Managing Director of the Company.

**Note-2:-** Compliance reports from designated employees are evaluated by Auditors and are placed before the Audit Committee /Board of Directors for review.

**Note-3:-** The policy is embedded in the Company's Quality, Environment & Occupational Health & Safety Policy and Energy Management Policy.

**Note-4:-** Quality conforms to ISO standards

**Note-5:-** The policy conforms to guidelines of Companies Act, 2013.

**Note-6:-** Need for a formal policy was not identified.

**Note-7:-** The policy conforms to guidelines of Companies Act, 2013.

**3. Governance related to BR**

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year	The Company's BR performance shall be assessed annually.
(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company will publish the Business Responsibility Report in accordance with SEBI guidelines and it will form part of the Annual Report.  The Report shall be made available on the Company's website: <a href="http://www.orientpaperindia.com">www.orientpaperindia.com</a> and will be published annually.

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

**Principle 1- ETHICS, TRANSPARENCY AND ACCOUNTABILITY**

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/ NGOs/ Others?

These policies are embedded in the Company's Codes of Conduct (Code of Conduct for Directors and Senior Management), Whistle Blower Policy, HR policies and various HR practices.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company received 83 queries/complaints from shareholders of the Company, mainly on account of non-receipt of dividend during the financial year 2021-22, which were resolved during the year.

**Principle 2- SUSTAINABILITY IN LIFE-CYCLE OF PRODUCT AND SERVICES**

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Orient Paper manufactures mainly two grades of paper viz. Writing & Printing for Note book & Publishing segment while Tissue papers as hygienic products and Caustic soda.

As a responsible corporate, the Company is committed to sustainable development and understands its obligations relating to social and environmental concerns. The Company continually seeks ways to conserve the environment and manage finite resources responsibly.

At Orient Paper, we integrate responsible sustainable practices into business operations that aim at environment sustainability and inclusive growth. We use bio-mass as a fuel in our Recovery boiler to produce steam / power as a by-product while recovering back 95 % of the cooking liquor for use in our pulping operations through a closed loop system. We continuously aim at reducing emissions as well as make investments in efficient and viable technologies that benefit sustainable development. We have achieved major reduction in use of water

consumption from 110 m3 per metric ton of finished product to as low as 48 m3 per metric ton of paper.

Orient Paper has been the first mill in the Indian Paper industry to achieve Zero liquid discharge to river which was possible by recycling & reuse of treated effluent back in our own plantations through use of High Respiration Transpiration System (HRTS) patented by National Environment Engineering Research Institute (NEERI, Nagpur).

The Company follows the Integrated Management systems on continuous basis towards goal of sustainability:

- a) Orient Paper Mills, Amlai has been certified with integrated management systems (Quality- ISO 9001:2015, Environment- ISO 14001:2015 and Energy Management System ISO 50001:2018) and also for new ISO 45001 - 2018 standard for Occupational Safety and Health Management. BIS certification for 70 GSM copier paper and BIS Eco certification and Forest Stewardship Council (FSC)-COC& CW
  - b) Energy conservation initiatives, replacement with energy efficient equipment, optimisation of process parameters, optimum utilisation of resources have been implemented across the plants towards sustainable reduction of GHG emissions.
  - c) As regards to the reduction in Carbon reduction footprint, OPM has been engaged in clonal plantation of Eucalyptus as part of its Farm forestry program and till year 2019 has done plantation on around 63289 hectares of land
  - d) OPM has been the first mill in the Pulp & Paper Industry in India to achieve "Zero Liquid discharge" by reuse of treated effluent in own plantation using NEERI, Nagpur patent technology of HRTS (High Rate Transpiration System)
2. For each such product, provide the details in respect of resource use (energy, water, raw material etc.), reduction during sourcing/ production/distribution achieved since the previous year throughout the value chain and reduction during usage by consumers (energy, water) achieved since the previous year?

Orient Paper has been constantly making efforts towards improving resource efficiency,

conservation of energy (electrical & thermal) & water and upkeep of equipment conditions. We are closely monitoring & working on reducing consumption of raw materials, energy consumption, water consumption, resource efficiency and utilization of available biomass (termed as Black Liquor solids mainly consists of lignin which comes out from wood in cooking process of Pulp mill) to fire in Recovery Boiler to reduce fossil fuel consumption. The Company's relentless focus on improving its operating efficiencies has reduced Energy / Coal consumption.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Orient Paper Mills (OPM) is situated in Sohagpur coal belt area of South Eastern Coal Field (SECL) which helps us to minimize transportation impact of coal. OPM also invests on farm forestry program to ensure sustainable source of Raw material supplies from areas near the plant with an assured buyback arrangement. This farm forestry program has been promoted on area spread around 200 kms periphery of the plant. Around 40 % of Raw material is sourced from these areas where as the balance quantity also comes from authentic farmer's sources from faraway areas of UP, Assam, Odisha and Andhra. While 87 % of the coal is sourced from mines of SECL and balance 13% is from Others in which Private Party is 11% & NCL is 2%.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

OPM plays an important role in farm forestry to promote local farmers to plant Eucalyptus Clonal saplings being supplied by the company on a subsidized rate on their available unutilized land. This becomes a source of income for these farmers and generates huge quantum of rural employment. The company has an understanding with these farmers with buy-back assurance of wood produce which also becomes a long-term sustainable source of raw material for

the Company. In terms of capacity & capability building, our Raw material development team provides free technical guidance and motivates these farmers to undertake plantations. Also, Local unemployed youth are trained and engaged as Motivators to promote farm forestry plantations amongst the Local farmers.

Further, OPM has also encouraged & developed local vendors to provide services like AMC's for motor winding, Air-conditioning, coolers & ceiling fans, jobs related to mechanical workshop, Civil Jobs, transportation etc. This also acts as a big source of employment and gives opportunity to the local communities to earn their livelihood.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).

The company has a full-fledged mechanism of recycling & reuse in place.

The process of Pulp making involves the use of Caustic soda and Sodium sulphate as cooking mediums to cook the wood chips in the steam heated digesters. Overall efficiency of recovering cooking chemicals is around 94 %.

The plant is recycling 90 % of the Lime sludge from Causticizing section to Rotary Lime Kiln for recovery of lime which is reused in the process. Fibrous sludge generated is reused by the small scale industries to make raw boards. Fly ash is reused in the cement industries in their product and for bricks manufacturing as well.

In order to achieve Zero liquid discharge OPM is recycling 100 % treated waste water in our own plantations and other productive and environmentally friendly purposes.

**Principle 3 - EMPLOYEE WELL-BEING**

1. Number of employees

The Company had 1394 permanent employees as on 31-3-2022.

2. Number of employees hired on temporary/ contractual/ casual basis

The Company had 2021 workers on a temporary/ contractual/casual basis as on 31-3-2022 due to ongoing Recovery Boiler project.



**3. Number of permanent women employees**

The Company had 4 permanent women employees as on 31-3-2022.

**4. Number of permanent employees with disabilities**

The Company had no permanent employees with disabilities as on 31-3-2022.

**5. Employee association that is recognized by management.**

- Kagaz Karkhana Mazdoor Sangh workmen Union at OPM, Amlai is recognized by the management.

- INTUC workmen Union at OPM- Caustic Soda Unit is recognized by the management.

**6. Percentage of permanent employees that are members of this recognized employee association**

All the permanent workmen at OPM, Amlai are members of the recognized employee association

**7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No.	Category	No. of complaints at the beginning of the financial year	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
a.	Child labour/ forced labour/ involuntary labour	Nil	Nil	Nil
b.	Sexual harassment	Nil	Nil	Nil
c.	Discriminatory employment	Nil	Nil	Nil

**8. What percentage of your under-mentioned employees were given safety and skill up-gradation training in the last year?**

a.	Permanent Employees	100%
b.	Permanent Women Employees	100%
c.	Casual/Temporary/Contractual Employees	100%
d.	Employees with disabilities	100%

Orient paper undertakes significant efforts to enhance its workforce skills levels through various learning and development programs. Various trainings provided to the employees include functional, behavioral as well as health, safety and environment trainings. Further, Specific safety trainings are provided to employees, including the temporary and contractual workforce at their work place.

**Principle 4- STAKEHOLDER ENGAGEMENT**

**1. Has the Company mapped its internal and external stakeholders?**

Yes, for Orient Paper, maintaining healthy relationship with stakeholders is a business imperative.

**2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

Yes.

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide the details thereof, in about 50 words or so.**

Orient Paper has made conscious effort to engage with such stakeholders, identify their needs/concerns and address them in a phased manner. Based on the needs identified, Orient paper undertakes several programs to provide health care, rural education, skill development, construction of community toilets, safe drinking water supplies etc. in villages around Amlai. Some of these efforts are detailed in the CSR section of this report.

**Principle 5- PROMOTION OF HUMAN RIGHTS**

**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

The Company respects and promotes human rights of all stakeholders. The Company is committed to ensuring that people are treated with dignity and respect. We have adopted Human Rights Policy to uphold human rights in our organisation and we continue to make our contractors, customers, suppliers, etc. aware of human rights-related issues.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

There were no complaints received regarding breach of human rights during the reporting period.

**Principle 6- ENVIRONMENTAL PROTECTION**

**1. Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/others.**

Orient Paper has a dedicated well-defined Environment policy and is in compliance with Environment Management System as per ISO 14001:2015 certification. Its efforts have received wide spread recognitions and awards. It has been well communicated to all the vendors, consultants, contractors and others.

**2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

Yes, Orient Paper firmly believes on three pillars of sustainability - Economic, Social and Environmental. We constantly identify and implement practices that satisfy the goals of sustainability in a holistic manner.

We strive to integrate responsible environmental practices into business operations that aim at environmental improvement, social development and financial profitability. We are aiming for responsible use of natural resources, reduction in air emissions, reduction in waste generation, reduction in energy consumptions; targeted investments in viable technologies that promise sustainable growth that extend beyond mere compliance with the law.

**3. Does the Company identify and assess potential environmental risks? Y/N**

Yes. The Company is following ISO 14001:2015 standards to mitigate potential environmental

risks. Recently OPM has upgraded its Occupational Health Management safety system from OHSAS 18001 to ISO 45001:2018.

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

We have not applied for CDM certification.

**5. Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes, Orient Paper has taken many initiatives towards improving energy efficiency, clean and green technology and renewable energy perspective. Some of these include: -

a) Identification & Implementation of the Energy efficiency initiatives/ activities in the plant and monitoring these activities are a continuous process. Please refer to Annexure III of the Directors' Report of the Annual Report for conservation of energy initiatives. The same is also available on Company's website: [www.orientpaperindia.com](http://www.orientpaperindia.com).

b) Process optimization and improvement initiatives on consistent basis across all plants.

c) Re-Use of Bio-mass firing in Recovery boiler.

d) The Company utilizes waste from Wood logs chippers as alternative fuel for power generation

e) Company has supported farmers around its plant to construct rainwater harvesting ponds to make their land fertile and improve their output.

f) Orient Paper has constructed a RCC barrage on river Sone for collection and conservation of water during the monsoon season. Apart from meeting the plant's requirement, this reservoir charges the ground water table of surrounding areas and supports growth of local flora and fauna.

g) The Company is continuously concentrating on improving its productivity in terms of production, reduction in power consumption and thermal energy consumption through various steps including installation of Variable Frequency Drives (VFDs).

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes.

7. Number of show cause/legal notices received from CPCB/SPCB which is pending (i.e. not resolved to satisfaction) as on end of financial year.

No show cause/ legal notice from CPCB/ SPCB have been received by OPM, Amlai during the financial year.

**Principle 7- RESPONSIBLE PUBLIC POLICY ADVOCACY**

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.

Orient Paper is a member of CII, FICCI, Indian Paper Makers Association (IPMA) & Indian Pulp & Paper Technical Association (IPPTA) and Alkali Manufacturers Association of India (AMAI)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, the broad areas are Economic Reforms, Environment and Energy issues and Sustainable Business Principles.

**Principle 8- INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

1. Does the Company have specified program/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

We believe in being a good corporate citizen by helping local communities and supporting their progress. Beyond constantly creating value through our operations and initiatives, we are committed to the socio-economic development of communities around us. Details of our programs and initiatives are covered in our Corporate Social Responsibility report.

2. Are the programs/ projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organization?

Orient Paper has a Board level CSR Committee constituted under the Companies Act, 2013 which assists the Board in discharging social responsibilities. It formulates and monitors implementation framework of "Corporate Social Responsibility Policy", observes practices of Corporate Governance at all levels and provides remedial measures wherever necessary.

Under the framework of its CSR Policy, the Company undertakes social programs/ projects on an ongoing basis. The programs/projects are undertaken through in-house teams along with involvement of the communities around us.

3. Have you done any impact assessment of your initiative?

The Company monitors the impact of its CSR initiatives on an ongoing basis and has noted positive outcomes and benefits for the people in and around the Company's plants as confirmed by the communities during a recently held public hearing.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

During the year under review, the Company has spent an amount of INR 94.30 lacs on community development projects as per details provided in the CSR chapter.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

Orient Paper takes initiatives based on the need of the community with a consultative approach. Many of the community development projects like building of toilets, water supply facilities etc. are undertaken by the Company and handed over to the community

**Principle 9 - PROVIDING VALUE TO CUSTOMERS**

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?

A dedicated customer care number is provided on the product packaging for any product related assistance.

The company received 48 customer feedback during the financial year 2021-22 which were all resolved.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Yes, as per packing registration certificate under rule # 27, chapter VI of Legal metrology act 2011 and weight & measurement certification under the Act.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending

as on end of financial year? If so, provide details thereof, in about 50 words or so.

None.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

To gauge the satisfaction levels of our customers, to understand the developments / changes in the market dynamics and to find out customer expectations informal surveys are conducted regularly by our internal teams which have shown reasonable satisfaction levels.

**C. K. Birla**  
Chairman  
(DIN: 00118473)

# Financial Statements

## Independent Auditor's Report

To  
the Members of  
**Orient Paper & Industries Limited**

### Report on the Audit of the Financial Statements

#### Opinion

1. We have audited the accompanying financial statements of Orient Paper & Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We

are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

4. We draw your attention to Note 51 to the financial statements which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

#### Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>5.1 Assessment in relation to impairment of Property, plant and equipment, Right- of- use assets, Intangible assets and Capital work- in- progress</b></p> <p>(Refer to Note 48 to the financial statements)</p> <p>As at March 31, 2022, the financial statements include Property, plant and equipment, Right- of- use assets, Intangible assets and Capital work- in- progress aggregating to Rs 88,688 lacs pertaining to the paper unit.</p> <p>Management has identified the paper unit as single Cash Generating Unit (CGU) and has calculated the recoverable amount of the CGU as the higher of value in use and fair value less costs of disposal.</p> <p>Value in use is based on discounted future cash flow forecasts, requiring management to make judgements on certain key inputs including, for example, discount rates and long-term growth rates.</p> <p>The impairment assessment performed by Management based on value in use method involved significant estimates towards future results of the business, in particular, the key assumptions on growth rate and discount rates used in the future cash flow forecasts.</p> <p>Impairment assessment was considered to be a key audit matter in view of uncertainty associated with COVID-19 which resulted in temporary interruption in the operations of the Company during the year.</p>	<p>Our procedures in relation to management's impairment assessment of Property, plant and equipment, Right- of- use assets, Intangible assets and Capital work- in- progress included:</p> <ul style="list-style-type: none"> <li>• Understanding and evaluating the controls and testing the operating effectiveness of the controls related to estimating the fair value of the assets.</li> <li>• Understanding the methodologies used by the management to estimate values in use.</li> <li>• Assessing the growth rate used by management by comparing to current industry trends.</li> <li>• Verified the discount rates used by Management by comparing the same with that used in comparable industry.</li> <li>• Along with auditor's specialist, performed sensitivity analysis of possible changes to the key assumptions including assessment of impact of COVID-19 on cash flow projections, discount and growth rates etc.</li> <li>• Assessing the appropriateness of the presentation and disclosures in the financial statements.</li> </ul> <p>Based on the above procedures, Management's assessment in relation to impairment of Property, plant and equipment, Right- of- use assets, Intangible assets and Capital work- in- progress is considered to be reasonable.</p>
<p><b>5.2 Management's assessment relating to litigation in respect of levy of tax on excess usage of water and impact on the financial statements</b></p> <p>(Refer Note 50(c) to the financial statements in respect of Water Tax)</p> <p><b>Amount of Rs. 142,706 lacs (including interest and penalty of Rs 141,293 lacs)</b> has been disclosed as 'contingent liability' in the financial statements which represents excess water consumption charges levied by regulatory authorities (period up to April 2009) against the Company. The Company is contesting the said demand and had filed writ petition in the High Court of Madhya Pradesh and obtained interim stay.</p> <p>The Company has obtained external legal opinion to support their assessment around the outcome of the above litigation which have led to the management's conclusion that no provision is required to be made against the demand.</p> <p>We considered this to be a key audit matter as the final outcomes of this litigation, in case decided against the Company, is likely to have significant financial impact.</p>	<p>We performed the following procedures in this regard:</p> <ul style="list-style-type: none"> <li>• Understood and evaluated the design and tested the operating effectiveness of controls around the assessment of the matter.</li> <li>• Discussed the status and likelihood of the outcome of the litigation with the external legal counsel engaged by the management.</li> <li>• We also evaluated the independence and competency of the management's legal expert.</li> <li>• Obtained and tested evidence to support the management assessment with regard to non-provisioning against the demand.</li> <li>• Assessed the appropriateness of disclosures made under the head 'contingent liabilities' in the financial statements.</li> </ul> <p>Based on the above procedures, management's assessment with regard to litigation in respect of levy of tax on excess usage of water under contingent liabilities is considered reasonable.</p>

### Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's 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 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the financial statements

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

8. In preparing the financial statements, management is responsible for assessing the Company's ability

to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

9. 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.

10. As part of an audit in accordance with SAs, we exercise professional judgment 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. 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.
  12. 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.
  13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other legal and regulatory requirements**

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central

Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, except for one director who ceased to be the director by virtue of his retirement as on March 31, 2022, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (g) 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 50 to the financial statements;
    - ii. The Company has long-term contracts as

at March 31, 2022 for which there were no material foreseeable losses. The Company did not have any derivative contract as at March 31, 2022.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 56a to the financial statements);
  - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), 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 (Refer Note 56b to the financial statements); and

- (c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For Price Waterhouse & Co  
Chartered Accountants LLP**

Firm Registration Number: 304026E/ E-300009

Chartered Accountants  
**Avijit Mukerji**  
Partner

Membership Number 056155  
UDIN 22056155AJVJJE5375  
Place: Kolkata  
Date: May 29, 2022

## Annexure A to Independent Auditor's Report

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Orient Paper & Industries Limited on the financial statements for the year ended March 31, 2022

Page 1 of 2

### Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Orient Paper & Industries Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. 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 with reference to financial statements.

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

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to

financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. (Also refer paragraph 4 of our Main Audit Report).

**For Price Waterhouse & Co  
Chartered Accountants LLP**

Firm Registration Number: 304026E/ E-300009

Chartered Accountants  
**Avijit Mukerji**  
Partner

Membership Number 056155  
UDIN 22056155AJVJJE5375  
Place: Kolkata  
Date: May 29, 2022

## Annexure B to Independent Auditor's Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Orient Paper & Industries Limited on the financial statements as of and for the year ended March 31, 2022 Page 1 of 8

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company

and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 on property, plant and equipment and Note 4 on investment properties to the financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Amount in Rs. Lacs)	Held in the name of	Whether promoter, director or their relative or employee	Held since (Year)	Reason for not being held in the name of the Company
Freehold Land	243.33	Hukum Chand Jute and Industries Limited	No	2008	Refer Note 3(f) to the financial statements
Leasehold Land	2.17	Hukum Chand Jute and Industries Limited	No	2008	
Investment properties (Refer Note 4(a) to the financial statements)	432.94	The Embassy of Union of Soviet Socialist Republics	No	1989	

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act,

- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account as set out below. (Also refer Note 54 to the financial statements).

Name of the Bank	Aggregate working capital limits sanctioned (Amount in Rs. Lacs)	Nature of Current Asset offered as Security (Amount in Rs. Lacs)	Quarter ended	Financial Statement Line Item where differences have been noted	Amount disclosed as per quarterly return / statement (Amount in Rs. Lacs)	Amount as per books of account (Amount in Rs. Lacs)	Difference (Amount in Rs. Lacs)	Reasons for difference
State bank of India	5,350	Entire current assets	June 30, 2021	Other Current Assets	3,612	3,532	80	Refer Note 54 to the financial statements
			June 30, 2021	Sundry Creditors	8,861	9,177	(316)	
			June 30, 2021	Other Current Liabilities	6,914	7,068	(154)	
			September 30, 2021	Other Current Assets	3,601	3,535	66	
Indusind Bank Limited	5,500	Inventory, book debts and other current assets	September 30, 2021	Bank Borrowing for WC	4,632	5,370	(738)	
			September 30, 2021	Sundry Creditors	7,071	9,998	(2,927)	
HDFC Bank Limited	5,500	Entire current assets	September 30, 2021	Other Current Liabilities	8,342	5,887	2,455	
			December 31, 2021	Other Current Assets	3,626	3,545	81	
Standard Chartered Bank	2,000	Stock and book debts	December 31, 2021	Bank Borrowing for WC	5,754	7,116	(1,362)	
			December 31, 2021	Sundry Creditors	7,481	10,183	(2,702)	
			December 31, 2021	Other Current Liabilities	7,223	6,268	955	
			March 31, 2022	Sundry Creditors	5,869	8,950	(3,081)	
			March 31, 2022	Other Current Liabilities	8,896	5,816	3,080	

- iii. a. The Company has not made any investments during the year. The Company has not granted secured/ unsecured loans/advances in nature of loans to any Company / Firm / Limited Liability Partnership / Other Party during the year other than loan to 95 employees. The Company did not stand guarantee, or provided security to any company / Firm / Limited Liability Partnership/ Other Party. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to employee is as per the table given below:

	Guarantees (Amount in Rs. Lacs)	Security (Amount in Rs. Lacs)	Loans (Amount in Rs. Lacs)	Advances in nature of loans (Amount in Rs. Lacs)
Aggregate amount granted/ provided during the year	-	-	17.22	-
- Others				
Balance outstanding as at balance sheet date in respect of the above case	-	-	7.30	-
- Others				

(Also refer Note 60 to the financial statements)

- (b) In respect of the aforesaid loans (which are interest free), the terms and conditions under which such loans were granted are not prejudicial to the Company's interest, considering that these have been granted to employees.
- (c) In respect of the aforesaid loans, the schedule of repayment of principal has been stipulated, and the employees are repaying the principal amount, as stipulated in a regular manner. Repayment of interest is not applicable as these employee loans are interest free in nature.
- (d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loan which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.
- (f) There were no loan which were granted during the year to promoters/related parties.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits
- within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Industrial License Fees under Orissa Municipal Act, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, provident fund and goods and services tax, though there has been a slight delay in a few cases and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2022, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (Amount in Rs. Lacs)	Period to which the amount relates	Due date	Date of Payment
Orissa Municipal Act	Industrial License Fees	36.57	1996-97 to 2021-22	Beginning of the respective years	Not yet paid

Also, refer note 47(iv) to the financial statements regarding management's assessment on certain matters relating to provident fund.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of income tax, service-tax, duty of customs and goods and services tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount of Demand without netting off amount paid under protest (Amount in Rs. Lacs)	Amount paid under protest (Amount in Rs. Lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Sales Tax	0.50	-	1986-87	High Court
	Sales Tax	6.27	-	1995-96	Sales Tax Tribunal
	Sales Tax	108.41	25.14	2001-02, 2007-08 and 2010-11 to 2012-13	Appellate and Revision Board
	Sales Tax	0.12	-	1979-80 to 1982-83	Sales Tax Commissioner
	Sales Tax	13.51	1.29	1985-86 and 1999-2000	Assistant Commissioner
	Sales Tax	1.80	0.96	2013-14	Additional Commissioner
	Sales Tax	118.40	29.60	2016-17	Additional Commissioner
West Bengal Value Added Tax, 2003	Value Added Tax	40.82	-	2007-08	West Bengal Commercial Taxes Appellate and Revision Board
Bihar Finance Act, 1981	Sales Tax	39.74	-	1994-95 to 1996-97	Commissioner of Commercial Tax
	Sales Tax	7.90	-	1994-95 to 1997-98	Joint Commissioner of Commercial Taxes
Orissa Sales Tax Act, 1947	Sales Tax	2.06	-	1985-86 and 1986-87	High Court
	Sales Tax	0.02	-	1983-84	Assistant Commissioner
Madhya Pradesh VAT Act, 2002	Value Added Tax	43.56	28.93	2006-07 to 2009-10	High Court
	Value Added Tax	15.45	4.34	2008-09	Commercial Tax Appellate Board
M.P. Commercial Tax Act, 1994	Sales Tax	54.75	47.74	2001-02	High Court



Name of the statute	Nature of dues	Amount of Demand without netting off amount paid under protest (Amount in Rs. Lacs)	Amount paid under protest (Amount in Rs. Lacs)	Period to which the amount relates	Forum where the dispute is pending
M.P. Sales Tax Act, 1961	Sales Tax	58.63	43.97	1998-99	High Court
	Sales Tax	1.19	0.12	1986-87	Commercial Tax Appellate Board
Central Excise Act, 1944	Excise Duty	1,379.71	16.75	1975-76, 1976-77, 1979-80, 1982-83, 1986-87 to 1996-97, 1989-90, 1994-95, 1995-96, 2005-06 to 2008-09, 2011-12	Customs, Excise & Service Tax Appellate Tribunal
	Excise Duty	30.47	7.02	2007-08, 2010-11, 2011-12 and 2014-15	Commissioner (Appeals)
	Excise Duty	129.57	-	1975-76 to 1978-79 and 1986-87 to 1997-98	Assistant Commissioner
Entry Tax Act	Purchase Tax/ Entry Tax	75.96	39.22	2000-01 2001-02	High Court
Entry Tax Act	Purchase Tax/ Entry Tax	5.92	1.67	2006-07	M.P.Commercial Tax, Appellate Board
The Water (Prevention And Control Of Pollution) Cess Act, 1977	Water cess	177,842.37	-	June 98 to Feb 2003	High Court
The Water (Prevention And Control Of Pollution) Cess Act, 1977	Water cess	5.40	-	January'94 to 31.07.1996	State and preventions Pollution Control Board
The Terminal Tax On Railway Passengers Act, 1956	Terminal Tax on supply of coal	184.67	-	2000-01 to 2007-08	High Court
ESI Act, 1948	ESI Payment	199.50	3.92	April 1993 to March 1999 2011-12	Labour Court

Name of the statute	Nature of dues	Amount of Demand without netting off amount paid under protest (Amount in Rs. Lacs)	Amount paid under protest (Amount in Rs. Lacs)	Period to which the amount relates	Forum where the dispute is pending
	ESI Payment	52.84	28.58	01.01.68 to November '77 1988-89 to 1990-91 2000 April'80 to March'84 and Nov'88 to July'90	ESIC Office
	ESI Payment	238.33	7.51	01.04.1979 to Feb.1985 August'90 to March'1993 April'90 to April,1994 1996-1999 1993 to January 1997 1996 to July 1998	High Court
Provident Fund Act, 1952	PF	106.97	101.27	1997-98 to 1999-2000 1996-97 to 1999-2000 2005-06 to 2006-07	High Court
Madhya Pradesh Upkar (Sanshodan) Adhinyam 2004	Energy Development Cess including Surcharge *	16,157.43	-	2001-02 to 2020-21	Supreme Court

\* including interest accrued by the Company- Rs. 14,527.81 lacs

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. Also, refer Note 19(d) and 22(c) to the financial statements.

- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has used funds raised on short-term basis aggregating Rs. 5,098 lacs for long-term purposes.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-

- banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses of Rs. 1,322.95 lacs in the financial year and of Rs. 3,345.43 lacs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 53 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting

- the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For Price Waterhouse & Co  
Chartered Accountants LLP**

Firm Registration Number: 304026E/ E-300009

Chartered Accountants  
**Avijit Mukerji**  
Partner

Membership Number 056155  
UDIN 22056155AJVJJE5375

Place: Kolkata  
Date: May 29, 2022

## Balance Sheet as at 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

	Note	As at 31st March 2022	As at 31st March 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,27,628.69	1,29,953.28
Right -of -use assets	3A	584.52	554.72
Capital work-in-progress	3	18,083.19	5,386.71
Investment properties	4	615.99	620.36
Intangible assets	5	19.83	16.43
Biological assets other than bearer plants	43	40.83	41.91
Financial assets			
(i) Investments	6	53,842.41	43,565.38
(ii) Other financial assets	7	434.25	424.61
Non-current tax assets (net)	8	450.82	368.07
Other non-current assets	9	2,358.55	1,972.00
<b>Total non-current assets</b>		<b>2,04,059.08</b>	<b>1,82,903.47</b>
Current assets			
Inventories	10	6,588.90	6,997.81
Biological assets other than bearer plants	43	57.53	125.98
Financial assets			
(i) Trade receivables	11	2,308.44	2,365.00
(ii) Cash and cash equivalents	12	390.19	1,174.58
(iii) Bank balances other than (ii) above	13	153.41	166.08
(iv) Loans	14	8.43	2.37
(v) Other financial assets	15	27.39	102.71
Other current assets	16	3,658.75	2,203.55
<b>Total current assets</b>		<b>13,193.04</b>	<b>13,138.08</b>
<b>Total assets</b>		<b>2,17,252.12</b>	<b>1,96,041.55</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	17	2,121.96	2,121.96
Other equity	18	1,53,163.60	1,44,678.04
<b>Total equity</b>		<b>1,55,285.56</b>	<b>1,46,800.00</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	19	6,750.00	4,691.84
(ii) Lease liabilities	3A	491.15	510.85
Employee benefit obligations	20	632.69	731.98
Deferred tax liabilities (net)	21	25,564.53	25,136.19
<b>Total non-current liabilities</b>		<b>33,438.37</b>	<b>31,070.86</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	22	13,646.00	3,518.91
(ii) Lease liabilities	3A	118.26	98.85
(iii) Trade payables	23		
(a) total outstanding dues of micro and small enterprises		392.39	233.61
(b) total outstanding dues other than (iii)(a) above		8,557.67	8,761.83
(iv) Other financial liabilities	24	3,180.24	2,810.52
Employee benefit obligations	25	678.76	1,099.56
Current tax liabilities (net)	26	-	67.47
Other current liabilities	27	1,954.87	1,579.94
<b>Total current liabilities</b>		<b>28,528.19</b>	<b>18,170.69</b>
<b>Total liabilities</b>		<b>61,966.56</b>	<b>49,241.55</b>
<b>Total equity and liabilities</b>		<b>2,17,252.12</b>	<b>1,96,041.55</b>

The above balance sheet should be read in conjunction with the accompanying notes. This is the Balance Sheet referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

Chartered Accountants  
**Avijit Mukerji**  
Partner  
Membership No.: 056155

Place: Kolkata  
Date: 29th May 2022

For and on behalf of the Board of Directors of  
**Orient Paper & Industries Limited**

**C.K.Birla**  
Chairman  
(DIN 00118473)  
Place : New York

**P.K.Sonthalia**  
President Finance & CFO  
(PAN ALQPS6822D)  
Place : Kolkata  
Date: 29th May 2022

**Ashwin J. Laddha**  
Managing Director & CEO  
(DIN 09538310)  
Place : Amlai

**R.P.Dutta**  
Company Secretary  
(M.NO. A14337)  
Place : Kolkata

## Statement of Profit and Loss for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

	Note	Year ended 31st March 2022	Year ended 31st March 2021
<b>Income</b>			
Revenue from operations	28	58,565.12	44,335.75
Other income	29	916.67	960.50
<b>Total income (I)</b>		<b>59,481.79</b>	<b>45,296.25</b>
<b>Expenses</b>			
Cost of raw materials consumed	30	17,191.28	14,216.04
Changes in inventories of work-in-progress and finished goods	31	549.06	(403.78)
Power & fuel	32	17,388.74	11,630.46
Employee benefits expense	33	8,133.91	8,072.23
Finance costs	34	497.95	660.12
Depreciation and amortisation expense	35	3,120.17	3,239.03
Other expenses	36	16,992.15	14,158.44
<b>Total expenses (II)</b>		<b>63,873.26</b>	<b>51,572.54</b>
<b>Loss before tax (I - II)</b>		<b>(4,391.47)</b>	<b>(6,276.29)</b>
<b>Income tax expense</b>			
Current tax	37	(76.34)	-
Deferred tax		(1,427.48)	(1,621.71)
<b>Total tax expense</b>		<b>(1,503.82)</b>	<b>(1,621.71)</b>
<b>Loss for the year</b>		<b>(2,887.65)</b>	<b>(4,654.58)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurements of post employment benefit obligations	46	320.29	401.15
Changes in the fair value of equity investments at FVOCI	18	13,439.20	29,403.28
Income tax relating to these items	37	(1,855.82)	(3,558.47)
<b>Total other comprehensive income for the year, net of tax</b>		<b>11,903.67</b>	<b>26,245.96</b>
<b>Total comprehensive income for the year</b>		<b>9,016.02</b>	<b>21,591.38</b>
<b>Earnings per equity share</b>			
Basic and diluted earnings per equity share (in Rs.)	47	(1.36)	(2.19)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the statement of profit and loss referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

Chartered Accountants  
**Avijit Mukerji**  
Partner  
Membership No.: 056155

Place: Kolkata  
Date: 29th May 2022

For and on behalf of the Board of Directors of  
**Orient Paper & Industries Limited**

**C.K.Birla**  
Chairman  
(DIN 00118473)  
Place : New York

**P.K.Sonthalia**  
President Finance & CFO  
(PAN ALQPS6822D)  
Place : Kolkata  
Date: 29th May 2022

**Ashwin J. Laddha**  
Managing Director & CEO  
(DIN 09538310)  
Place : Amlai

**R.P.Dutta**  
Company Secretary  
(M.NO. A14337)  
Place : Kolkata

## Statement of Changes in Equity for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### A. Equity share capital

	Note	
As at 1st April 2020	17	2,121.96
<b>As at 31st March 2021</b>		<b>2,121.96</b>
As at 1st April 2021	17	2,121.96
<b>As at 31st March 2022</b>		<b>2,121.96</b>

### B. Other equity

	Note	Reserves and surplus				FVOCI equity investments	Total
		Investment subsidy	Securities premium account	General reserve	Retained earnings		
<b>As at 1st April 2020</b>		<b>15.00</b>	<b>4,697.49</b>	<b>11,006.84</b>	<b>91,264.00</b>	<b>17,164.26</b>	<b>1,24,147.59</b>
Profit for the year		-	-	-	(4,654.58)	-	(4,654.58)
Other comprehensive income		-	-	-	260.99	25,984.97	26,245.96
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,393.59)</b>	<b>25,984.97</b>	<b>21,591.38</b>
<b>Transactions with owners in their capacity as owners:</b>							
Dividend paid	40	-	-	-	(1,060.93)	-	(1,060.93)
Transfer from equity instruments through other comprehensive income to retained earnings on sale of equity shares	18	-	-	-	544.48	(544.48)	-
<b>As at 31st March 2021</b>		<b>15.00</b>	<b>4,697.49</b>	<b>11,006.84</b>	<b>86,353.96</b>	<b>42,604.75</b>	<b>1,44,678.04</b>

	Note	Reserves and surplus				FVOCI equity investments	Total
		Investment subsidy	Securities premium account	General reserve	Retained earnings		
<b>As at 1st April 2021</b>		<b>15.00</b>	<b>4,697.49</b>	<b>11,006.84</b>	<b>86,353.96</b>	<b>42,604.75</b>	<b>1,44,678.04</b>
Profit for the year		-	-	-	(2,887.65)	-	(2,887.65)
Other comprehensive income		-	-	-	208.37	11,695.30	11,903.67
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,679.28)</b>	<b>11,695.30</b>	<b>9,016.02</b>
<b>Transactions with owners in their capacity as owners:</b>							
Dividend paid	40	-	-	-	(530.46)	-	(530.46)
Transfer from equity instruments through other comprehensive income to retained earnings on sale of equity shares	18	-	-	-	346.09	(346.09)	-
<b>As at 31st March 2022</b>		<b>15.00</b>	<b>4,697.49</b>	<b>11,006.84</b>	<b>83,490.32</b>	<b>53,953.96</b>	<b>1,53,163.60</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes. This is the statement of changes in equity referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

Chartered Accountants  
**Avijit Mukerji**  
Partner  
Membership No.: 056155

Place: Kolkata  
Date: 29th May 2022

For and on behalf of the Board of Directors of  
**Orient Paper & Industries Limited**

**C.K.Birla**  
Chairman  
(DIN 00118473)  
Place : New York

**P.K.Sonthalia**  
President Finance & CFO  
(PAN ALQPS6822D)  
Place : Kolkata  
Date: 29th May 2022

**Ashwin J. Laddha**  
Managing Director & CEO  
(DIN 09538310)  
Place : Amlai

**R.P.Dutta**  
Company Secretary  
(M.NO. A14337)  
Place : Kolkata

## Statement of Cash Flows for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

	Note	Year ended 31st March 2022	Year ended 31st March 2021
<b>A. Cash flows from operating activities:</b>			
<b>Loss before income tax</b>		<b>(4,391.47)</b>	<b>(6,276.29)</b>
<b>Adjustments for:</b>			
Depreciation and amortisation expense	35	3,120.17	3,239.03
Finance Costs	34	497.95	660.11
(Gain) / loss on disposal of property, plant and equipment (net)	36	11.35	(0.78)
Bad debts / advances written off (net of reversals)	36	-	0.49
Provision for doubtful debts and advances	36	8.49	-
Rental income from investment properties	29	(220.53)	(206.21)
Unspent liabilities, provisions no longer required and unclaimed balances written back	29	(27.64)	(196.70)
Unrealised foreign exchange loss (net)		1.48	1.10
Interest income classified as investing cash flows	29	(41.24)	(48.11)
Dividend income classified as investing cash flows	29	(478.73)	(287.76)
<b>Operating (loss) before changes in operating assets and liabilities</b>		<b>(1,520.17)</b>	<b>(3,115.12)</b>
Increase/ (decrease) in trade payables, other liabilities and provisions		10.93	(793.28)
Decrease in inventories		408.91	671.25
Decrease in biological assets		69.53	157.15
(Increase)/Decrease in trade receivables, loans and advances and other assets		(1,425.78)	616.67
<b>Cash (used in) operations</b>		<b>(2,456.58)</b>	<b>(2,463.33)</b>
Income taxes (paid) / refund (net)		8.65	463.16
<b>Net cash outflow from operating activities</b>		<b>(2,447.93)</b>	<b>(2,000.17)</b>
<b>B. Cash flows from investing activities:</b>			
Proceeds from disposal of property, plant and equipment		0.63	13.63
Payments for acquisition of property, plant and equipment/intangible assets		(12,614.28)	(1,906.89)
Proceeds on disposal of investments in equity shares		3,162.17	616.26
Rental income from investment properties received		220.53	206.21
Interest received		29.59	82.85
Dividend received		478.73	287.76
Fixed deposits withdrawn (net)		13.12	35.15
<b>Net cash outflow from investing activities</b>		<b>(8,709.51)</b>	<b>(665.03)</b>

## Statement of Cash Flows for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

	Note	Year ended 31st March 2022	Year ended 31st March 2021
<b>C. Cash flows from financing activities:</b>			
Proceeds of long-term borrowings		7,250.00	4,572.74
Proceeds of short-term borrowings		4,935.25	763.92
Principal element of Lease payments		(121.67)	(112.28)
Interest element of Lease payments		(97.42)	(108.76)
Interest paid		(976.05)	(495.45)
Interest expense on income tax		(0.05)	(0.17)
Other borrowing costs paid		(86.99)	(51.25)
Dividend paid		(530.02)	(1,059.23)
<b>Net cash inflow from financing activities</b>		<b>10,373.05</b>	<b>3,509.52</b>
<b>Net increase/(Decrease) in cash and cash equivalents (A+B+C)</b>		<b>(784.39)</b>	<b>844.32</b>
Cash and cash equivalents at the beginning of the year (Refer note 12)		1,174.58	330.26
<b>Cash and cash equivalents at the end of the year (Refer note 12)</b>		<b>390.19</b>	<b>1,174.58</b>

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'. Refer note 42 for debt reconciliation.

The above statement of cash flows should be read in conjunction with the accompanying notes. This is the statement of cash flows referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

Chartered Accountants  
**Avijit Mukerji**  
Partner  
Membership No.: 056155

Place: Kolkata  
Date: 29th May 2022

For and on behalf of the Board of Directors of  
**Orient Paper & Industries Limited**

**C.K.Birla**  
Chairman  
(DIN 00118473)  
Place : New York

**P.K.Sonthalia**  
President Finance & CFO  
(PAN ALQPS6822D)  
Place : Kolkata  
Date: 29th May 2022

**Ashwin J. Laddha**  
Managing Director & CEO  
(DIN 09538310)  
Place : Amlai

**R.P.Dutta**  
Company Secretary  
(M.NO. A14337)  
Place : Kolkata

## Notes to financial statements as at and for the year ended 31st March 2022

### 1 Company background

Orient Paper & Industries Limited (the 'Company') is a public limited Company, incorporated and domiciled in India. The equity shares of the Company are listed on the National Stock Exchange of India Limited and the BSE Limited in India. The registered office of the Company is located at Unit-VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751012, Orissa, India.

The Company is mainly engaged in the business of manufacturing and selling of paper and other products as detailed under Note 28, "Revenue from operations".

The financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 29th May 2022.

### 2 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

##### (i) Compliance with Ind AS

The financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

##### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) is measured at fair value.
- Defined benefit plans - plan assets measured at fair value.
- Biological assets - measured at fair value less costs to sell.

##### (iii) New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions - amendments to Ind AS 116
- Interest rate benchmark reform - amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

##### (iv) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

## Notes to financial statements as at and for the year ended 31st March 2022

### (v) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the Company has changed the classification/presentation of (i) current maturities of long-term borrowings (ii) security deposits, in the current year.

The current maturities of long-term borrowings (including interest accrued) has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings and interest accrued were included in 'other financial liabilities' line item.

Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

(All amounts in Rupees lacs, unless otherwise stated)

Balance Sheet	As at 31st March 2021 (as previously reported)	Increase/ (Decrease)	As at 31st March 2021 (restated)
Other financial liabilities (current)	3,048.02	(237.50)	2,810.52
Current borrowing	3,281.41	237.50	3,518.91
Loans (non-current)	393.97	(393.97)	-
Other financial assets (non-current)	30.64	393.97	424.61

### (vi) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle of the Company, that is, the time between the acquisition of assets for processing and their realisation in cash or cash equivalent is 12 months.

Deferred tax assets and liabilities are classified as non-current.

## Notes to financial statements as at and for the year ended 31st March 2022

### (vii) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs and decimals thereof (Rs. 00,000.00) as per the requirement of Schedule III, unless otherwise stated.

### 2.2 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost / deemed cost (fair value as at transition date) less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### Depreciation method, estimated useful lives and residual values

Depreciation is calculated on a pro-rata basis using the straight-line method [except for furniture and fixtures and vehicles with gross carrying amount of Rs.1,135.31 lacs (31st March 2021: Rs. 1,193.69 lacs) where written down value method is followed] to allocate their cost, net of their estimated residual values, over their estimated useful lives. In accordance with Schedule II to the Act other than certain plant & equipments having useful lives as 3 to 40 years, being estimated by the management, supported by independent assessment by professionals, lives of those assets being lower than those indicated in Schedule II to the Act. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

Estimated useful lives of the property, plant and equipment as estimated by the management are as follows:

Factory buildings	- 30 years
Non-factory buildings	- 5 to 60 years
Railway sidings	- 15 years
Plant and equipments	- 3 to 40 years
Furniture and fixtures	- 8 to 10 years
Computers (included under plant and equipments)	- 3 years
Office equipments	- 5 years
Vehicles	- 8 to 10 years

Leasehold land (other than those in the nature of perpetual leases) are amortised on straight - line basis over the primary lease period or their respective useful lives, whichever is shorter.

The residual values are not more than 5% of the original cost of the asset.

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within 'Other income'/'Other expenses'.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'Capital advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital work-in-progress'.

## Notes to financial statements as at and for the year ended 31st March 2022

### 2.3 Leases

#### As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees.
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the company, which does not have recent third party financing
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

The lease liabilities is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received

## Notes to financial statements as at and for the year ended 31st March 2022

- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

#### As a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

### 2.4 Intangible assets

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

#### Computer software

Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable.

#### Amortisation method and period

Computer software is amortised on a pro-rata basis using the straight-line method over its estimated useful life of 3 years from the date they are available for use. Amortisation method and useful lives are reviewed periodically including at each financial year end.

#### Research and development

Research costs are expensed as incurred. Expenditure on development that do not meet the specified criteria under Ind AS 38 on 'Intangible assets' are recognised as an expense as incurred.

### 2.5 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Depreciation on investment properties is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management. The estimated useful life of investment properties (buildings) as estimated by the management is 60 years.

On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

## Notes to financial statements as at and for the year ended 31st March 2022

### 2.6 Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on weighted average basis. By-products are valued at net realisable value. Saleable scrap, whose cost is not identifiable, is valued at net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis.

### 2.8 Biological assets

Biological assets are measured at fair value less cost to sell.

Costs to sell include the incremental selling costs, including commission paid to brokers and dealers and estimated costs of transport to the market but excludes finance costs and income taxes.

Eucalyptus plantation are accounted for as biological assets until the point of harvest. Harvested eucalyptus plants are transferred to inventory at fair value less costs to sell when harvested.

Changes in fair value of the biological assets are recognised in the Statement of Profit and Loss.

The fair value of growing eucalyptus plantation is determined using a discounted cash flow model based on the expected plant yield by plantation size, the market price for wood and after allowing for harvesting costs and other costs yet to be incurred in getting the plants to maturity.

### 2.9 Investments and other financial assets

#### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on

## Notes to financial statements as at and for the year ended 31st March 2022

whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other income'.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other income' in the period in which it arises.

#### Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other income' in the Statement of Profit and Loss.

#### (iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 41(A) details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.



## Notes to financial statements as at and for the year ended 31st March 2022

### (iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### (v) Income recognition

#### Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

#### Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### (vi) Fair value of financial instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include Market Approach (Market Multiples Method), Income Approach (Capitalisation Method) and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

### 2.10 Derivative instruments

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other income'/'Other expenses'.

### 2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported 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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## Notes to financial statements as at and for the year ended 31st March 2022

### 2.12 Trade receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### 2.13 Cash and cash equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.14 Trade payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 2.15 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### 2.16 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition. Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

## Notes to financial statements as at and for the year ended 31st March 2022

### 2.17 Revenue recognition

#### Sale of goods

The Company manufactures and sells a range of paper and other products. Revenue from sale of goods is recognised when control of the products has transferred, being when the products are delivered to the customers and the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales is recognised based on the price specified in the contract. No element of financing is deemed present as the sales are made against the receipt of advance or security deposit or with an agreed credit period of up to 90 days, which is consistent with the market practices. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

### 2.18 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Export incentives are recognised when the right to receive the credit is established and when there does not exist any uncertainty as to its collections.

### 2.19 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

### 2.20 Foreign currency transactions and translation

#### (i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (Rupees or Rs), which is the Company's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs, if any, are presented in the Statement of Profit and Loss, within 'Finance costs'. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within 'Other income'/'Other expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

## Notes to financial statements as at and for the year ended 31st March 2022

### 2.21 Employee benefits

#### (i) Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

#### (ii) Post-employment benefits

##### Defined benefit plans

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the Statement of Changes in Equity.

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the Eligible employee and the Company make monthly contributions to the provident fund plan at a percentage of the covered employee's salary. The Company contributes a portion to the Birla Industries Provident Fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the short fall, if any, between the return from the investments of the trust and the notified interest rate. The contributions made by the Company and the shortfall of interest, if any, are recognised as an expense in the statement of profit & loss under employee benefit expense.

##### Defined contribution plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

#### (iii) Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, measured annually by actuaries as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented under 'Employee benefit obligations' (current) in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

## Notes to financial statements as at and for the year ended 31st March 2022

### 2.22 Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

### 2.23 Provisions and contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made 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 embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

## Notes to financial statements as at and for the year ended 31st March 2022

### 2.24 Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### 2.25 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company. Refer Note 44 for segment information presented.

### 2.26 Critical estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

#### The areas involving critical estimates or judgements are:

- **Employee benefits (estimation of defined benefit obligation) — Notes 2.21 and 46**  
Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.
- **Estimation of expected useful lives of property, plant and equipment — Notes 2.2 and 3**  
Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

## Notes to financial statements as at and for the year ended 31st March 2022

- Contingencies – Notes 2.23 and 50**

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Company consults with legal counsel and other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

- Valuation of deferred tax assets – Notes 2.22 and 21**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- Fair value measurements – Notes 2.9(vi) and 39**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including market multiples model (Market Approach) and Capitalisation method ( Income Approach) which involve various judgements and assumptions.

- Impairment of Property, plant and equipment, Right -of use assets, Intangible assets and Capital work -in- progress – Notes 2.6, 3, 3A, 5 and 48**

The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets. The Company has identified one CGU - Paper unit at Amlai, Madhya Pradesh.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 3: Property, plant and equipment

	Freehold land	Leasehold land	Factory buildings	Non-factory buildings	Railway sidings	Plant and equipments	Furniture and fixtures equipments	Office equipments	Vehicles	Total	Capital work-in-progress
Gross carrying amount											
<b>Cost as at 1st April 2020</b>	30,947.04	58,447.15	5,763.73	3,525.17	68.75	77,558.80	776.57	317.66	369.56	1,77,774.43	5,338.65
Additions	-	-	-	-	-	0.45	0.73	-	-	1.18	2,176.24
Transfers	-	-	389.49	69.97	-	1,661.09	6.02	1.61	-	2,128.18	(2,128.18)
Disposals	-	-	-	-	-	17.19	6.77	-	10.17	34.13	-
<b>As at 31st March 2021</b>	30,947.04	58,447.15	6,153.22	3,595.14	68.75	79,203.15	776.55	319.27	359.39	1,79,869.66	5,386.71
Additions	-	-	-	-	-	4.80	-	-	-	4.80	13,388.73
Transfers	-	-	9.13	-	-	667.06	9.82	6.24	-	692.25	(692.25)
Disposals	-	-	-	-	-	195.65	0.62	-	9.83	206.10	-
Transfer from Right - of - use assets	-	-	-	-	-	59.10	-	-	-	59.10	-
<b>As at 31st March 2022</b>	30,947.04	58,447.15	6,162.35	3,595.14	68.75	79,738.46	785.75	325.51	349.56	1,80,419.71	18,083.19
Accumulated depreciation											
<b>As at 1st April 2020</b>	-	486.31	2,528.00	1,268.30	50.16	41,461.22	581.66	281.58	184.98	46,842.21	-
Charge for the year	-	137.77	184.10	86.98	2.13	2,582.64	47.88	19.25	34.71	3,095.46	-
Disposals	-	-	-	-	-	12.85	6.51	-	1.93	21.29	-
<b>As at 31st March 2021</b>	-	624.08	2,712.10	1,355.28	52.29	44,031.01	623.03	300.83	217.76	49,916.38	-
Charge for the year	-	137.78	161.05	88.52	2.14	2,558.71	31.18	4.24	28.98	3,012.60	-
Disposals	-	-	-	-	-	184.15	0.62	-	9.34	194.11	-
Transfer from Right - of - use assets	-	-	-	-	-	56.15	-	-	-	56.15	-
<b>As at 31st March 2022</b>	-	761.86	2,873.15	1,443.80	54.43	46,461.72	653.59	305.07	237.40	52,791.02	-
Net carrying amount											
<b>As at 31st March 2021</b>	30,947.04	57,823.07	3,441.12	2,239.86	16.46	35,172.14	153.52	18.44	141.63	1,29,953.28	5,386.71
<b>As at 31st March 2022</b>	30,947.04	57,685.29	3,289.20	2,151.34	14.32	33,276.74	132.16	20.44	112.16	1,27,628.69	18,083.19

(a) Includes certain assets held in joint ownership Rs.188.09 lacs (31st March 2021: Rs. 188.09 lacs).

(b) Includes depreciation Rs. 143.77 lacs (31st March 2021: Rs. 143.87 lacs) on assets at Brajrajnagar unit, where manufacturing operations were not carried on during the year.

(c) Refer to notes 19 and 22 for information on Property, plant and equipment pledged as security by the Company.

(d) Refer to note 49 for disclosure of contractual commitments for acquisition of property, plant and equipment.

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

(f) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 3 & 4 to the financial statements, are held in the name of the Company, except for the following:

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 3: Property, plant and equipment (contd.)

#### Title deeds of immovable property not held in the name of the Company

Asset category	As at 31st March 2022					
	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Free hold land	243.33	Hukum Chand Jute and Industries Limited	No	2008	Order from Tehsildar for registration of property awaited
Property, plant and equipment	Lease hold land	2.17	Hukum Chand Jute and Industries Limited	No	2008	Order from Tehsildar for registration of property awaited
Investment Property	Land and building	432.94	The Embassy of Union of Soviet Socialist Republics	No	1989	The process for transfer of property in the name of the Company is in progress

#### Title deeds of immovable property not held in the name of the Company

Asset category	As at 31st March 2021					
	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Free hold land	243.33	Hukum Chand Jute and Industries Limited	No	2008	Order from Tehsildar for registration of property awaited
Property, plant and equipment	Lease hold land	2.17	Hukum Chand Jute and Industries Limited	No	2008	Order from Tehsildar for registration of property awaited
Investment Property	Land and building	432.94	The Embassy of Union of Soviet Socialist Republics	No	1989	The process for transfer of property in the name of the Company is in progress

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Capital work-in progress

#### a) Aging of CWIP

	As at 31st March 2022				
	Amount in Capital work-in progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	14,283.70	775.13	2,279.64	744.72	18,083.19
(ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>14,283.70</b>	<b>775.13</b>	<b>2,279.64</b>	<b>744.72</b>	<b>18,083.19</b>

	As at 31st March 2021				
	Amount in Capital work-in progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	1,745.67	2,877.92	754.32	8.80	5,386.71
(ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,745.67</b>	<b>2,877.92</b>	<b>754.32</b>	<b>8.80</b>	<b>5,386.71</b>

#### (b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

CWIP	As at 31st March 2022				
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress					
Recovery Boiler & Upgradation of pulp mill	17,803.89	-	-	-	17,803.89
(ii) Projects temporarily suspended					
None	-	-	-	-	-
<b>Total</b>	<b>17,803.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,803.89</b>

CWIP	As at 31st March 2021				
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress					
Recovery Boiler & Upgradation of pulp mill	-	4,874.95	-	-	4,874.95
(ii) Projects temporarily suspended					
None	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>4,874.95</b>	<b>-</b>	<b>-</b>	<b>4,874.95</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 3A: Right - of - use assets

#### (a) The Company as a lessee

The Company has lease contracts for plant and equipment, computer equipment and also non factory building. Lease of plant and equipment have lease terms of 9 years & 9 months and non factory building have lease term of 3 years. Generally the Company is restricted from assigning or subleasing the leased assets. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants including security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes. Until March 31, 2019, leases were classified as either finance leases or operating leases. However from April 1, 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

#### (b) Following are the changes in carrying value of right of use assets

	Right-of-use plant and equipment	Right-of-use Computer Equipment	Right-of-use Non- factory Building	Total Right-of-use assets
<b>Cost</b>				
Balance as at 1st April 2020	800.00	59.10	101.77	960.87
<b>As at 31st March 2021</b>	<b>800.00</b>	<b>59.10</b>	<b>101.77</b>	<b>960.87</b>
Additions during the year	-	-	121.37	121.37
Assets disposed / transferred to Property, Plant and Equipment	-	59.10	-	59.10
<b>As at 31st March 2022</b>	<b>800.00</b>	<b>-</b>	<b>223.14</b>	<b>1,023.14</b>
<b>Accumulated depreciation</b>				
Balance as at 1st April 2020	215.27	56.15	42.09	313.51
Charge for the year	50.67	-	41.97	92.64
<b>As at 31st March 2021</b>	<b>265.94</b>	<b>56.15</b>	<b>84.06</b>	<b>406.15</b>
Charge for the year	50.67	-	37.95	88.62
Assets disposed / transferred to Property, Plant and Equipment	-	56.15	-	56.15
<b>As at 31st March 2022</b>	<b>316.61</b>	<b>-</b>	<b>122.01</b>	<b>438.62</b>
<b>Carrying amount</b>				
<b>As at 31st March 2021</b>	<b>534.06</b>	<b>2.95</b>	<b>17.71</b>	<b>554.72</b>
<b>As at 31st March 2022</b>	<b>483.39</b>	<b>-</b>	<b>101.13</b>	<b>584.52</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 3A: Right - of - use assets (contd.)

#### (c) Following are the changes in carrying value of lease liabilities

	As at 31st March 2022	As at 31st March 2021
Opening Balance	609.70	721.98
Addition during the year	121.38	-
Finance costs during the year	97.42	108.76
Lease payments during the year	(219.09)	(221.04)
<b>Closing balance</b>	<b>609.41</b>	<b>609.70</b>
Current lease liabilities	118.26	98.85
Non-current lease liabilities	491.15	510.85

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis -

	As at 31st March 2022	As at 31st March 2021
Less than one year	207.36	196.05
One to five years	476.79	567.00
More than five years	-	-
<b>Total</b>	<b>684.15</b>	<b>763.05</b>

#### (d) Following are the amounts recognised in Statement of profit and loss

	As at 31st March 2022	As at 31st March 2021
Depreciation expense on right-of-use assets	88.62	92.64
Interest expense on lease liabilities	97.42	108.76
Expense relating to short term leases (included in other expenses)	-	14.54
Expense relating to variable lease payments not included in lease liabilities (included in other expenses) #	66.61	70.12
<b>Total amount recognised in Statement of profit and loss</b>	<b>252.65</b>	<b>286.06</b>

# The Variable lease payment relates to a Lease arrangement wherein the lease payment amounts to the payment made in respect of Power generated by Novergy Energy Solutions Pvt Limited. Since the lease payment varies substantially, it has been classified as variable lease payment.

- The Company does not have any leases of low value assets and income from subleasing.
- Extension and termination options are included in leases contracts of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exercisable by both the Company and lessor.
- There are no residual value guarantees in relation to any lease contracts.
- The Company had a total cash outflows of Rs. 219.09 lacs for leases for the year ended 31st March 2022 (31st March 2021: Rs.221.04 lacs).

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 4: Investment properties

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Gross carrying amount</b>		
Opening gross carrying amount	642.24	642.24
Disposals	-	-
<b>Closing gross carrying amount</b>	<b>642.24</b>	<b>642.24</b>
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	21.88	17.51
Depreciation charge	4.37	4.37
Disposals	-	-
<b>Closing accumulated depreciation</b>	<b>26.25</b>	<b>21.88</b>
<b>Net carrying amount</b>	<b>615.99</b>	<b>620.36</b>

(a) The Company along with other co-owners, has developed a plot of land and constructed a building thereon at 25, Barakhamba Road, New Delhi, where the Company's share is 15%. The registration of the said plot of land of value Rs. 432.94 lacs (31st March 2021: Rs. 432.94 lacs) in the name of the Company is still pending.

(b) Investment properties held in joint ownership Rs. 615.99 lacs (31st March 2021: Rs. 620.36 lacs).

(c) Fair value of investment properties:

Particulars	As at 31st March 2022	As at 31st March 2021
Fair value of investment properties	8,498.50	8,716.43
<b>Net block</b>	<b>8,498.50</b>	<b>8,716.43</b>

#### Estimation of fair value

The fair values of investment properties have been determined by independent valuers who hold recognised and relevant professional qualifications. Valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

(d) Amounts recognised in profit or loss for investment properties:

Particulars	As at 31st March 2022	As at 31st March 2021
Rental income	220.53	206.21
Depreciation expense	(4.37)	(4.37)
<b>Profit from investment properties (net)</b>	<b>216.16</b>	<b>201.84</b>

#### Operating lease: Company as lessor

The Company has leased out certain buildings on operating leases. The lease term is for 1-3 years and thereafter renewable. There is escalation clause in the lease agreements. The rent is not based on any contingencies. There are no restrictions imposed by lease arrangements. The leases are cancellable.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 5: Intangible assets

Particulars	Computer software
<b>Gross carrying amount</b>	
<b>As at 1st April 2020</b>	<b>382.63</b>
Additions	-
<b>As at 31st March 2021</b>	<b>382.63</b>
Additions	18.00
<b>As at 31st March 2022</b>	<b>400.63</b>
<b>Accumulated amortisation</b>	
<b>As at 1st April 2020</b>	<b>319.64</b>
Charge for the year	46.56
<b>As at 31st March 2021</b>	<b>366.20</b>
Charge for the year	14.60
<b>As at 31st March 2022</b>	<b>380.80</b>
<b>Net carrying amount</b>	
<b>As at 31st March 2021</b>	<b>16.43</b>
<b>As at 31st March 2022</b>	<b>19.83</b>

### Note 6: Investments - non-current

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Investments in equity instruments at FVOCI (fully paid-up)</b>		
<b>Quoted</b>		
9.72 lacs (31st March 2021: 12.47 lacs) equity shares of Rs.10 each in Century Textiles & Industries Limited	8,302.64	5,796.96
1.37 lacs (31st March 2021: 1.46 lacs) equity shares of Rs.10 each in Ultra Tech Cement Limited	9,049.44	9,858.63
9.06 lacs (31st March 2021: 9.06 lacs) equity shares of Rs.10 each in HIL Limited	36,019.65	27,633.10
<b>Unquoted</b>		
0.30 lac (31st March 2021: 0.30 lac) equity shares of Rs. 10 each in Birla Buildings Limited	68.40	91.20
0.06 lac (31st March 2021: 0.06 lac) equity shares of Rs. 10 each in GMMCO Limited	402.11	185.32
0.25 lac (31st March 2021: 0.25 lac) equity shares of Rs. 10 each in Tungabhadra Industries Limited	-	-
200 (31st March 2021: 200) equity shares of Rs.10 each in Orissa Textiles Mills Limited	-	-
173.99 lacs (31st March 2021: 173.99 lacs) equity shares of K.Sh 20 each in Panafrican Paper Mills (E.A) Limited	-	-
	<b>53,842.24</b>	<b>43,565.21</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 6: Investments - non-current (contd.)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Investments in government securities at amortised cost</b>		
<b>Unquoted</b>		
6 Years National Savings Certificates (a)	0.17	0.17
	<b>53,842.41</b>	<b>43,565.38</b>
Aggregate amount of quoted investments and market value thereof	53,371.73	43,288.69
Aggregate amount of unquoted investments	470.68	276.69

(a) Lodged with government department as security deposits.

(b) Refer note 39 for information about fair value measurements and note 41 for credit risk and market risk on investments.

### Note 7: Other financial assets - non-current

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, considered good</b>		
Deposits with original maturity of more than 12 months @	30.64	30.64
Trade and other deposits	403.61	393.97
	<b>434.25</b>	<b>424.61</b>

@ Lodged with government departments/ banks as security

### Note 8: Non-current tax assets (net)

Particulars	As at 31st March 2022	As at 31st March 2021
Advance tax [Net of provision for tax Rs.270.00 lacs (31st March 2021: Rs.270.00 lacs)]	450.82	368.07
	<b>450.82</b>	<b>368.07</b>

### Note 9: Other non-current assets

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, considered good</b>		
Capital advances	1,090.94	710.15
Advances recoverable	311.80	260.12
Deposits against demand under dispute	617.51	617.51
Prepaid expenses	11.32	10.95
Claims and refunds receivable	326.98	373.27
	<b>2,358.55</b>	<b>1,972.00</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 10: Inventories

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Valued at lower of cost and net realisable value</b>		
Raw materials and components	2,556.49	2,019.30
Work-in-progress	583.21	497.14
Finished goods	759.50	1,406.17
Stores, chemicals and spare parts, etc.	2,625.90	3,022.96
<b>At estimated net realisable value</b>		
By-products	3.75	13.34
Scrap	60.05	38.90
	<b>6,588.90</b>	<b>6,997.81</b>
The above includes stock in transit:		
Finished goods	-	15.24
Stores, chemicals and spare parts, etc.	-	57.80

(a) Write downs of inventories to net realisable value amounted to Rs. 59.53 lacs (31st March 2021: Rs.59.06 lacs) which were recognised as an expense and included in consumption of stores and spare parts in note 36.

(b) Inventories are hypothecated against the borrowings obtained by the Company as referred in note 22.

### Note 11: Trade receivables

Particulars	As at 31st March 2022	As at 31st March 2021
Trade receivables	2,365.47	2,413.54
Less: Loss allowance	(57.03)	(48.54)
<b>Total receivables</b>	<b>2,308.44</b>	<b>2,365.00</b>
Current portion	2,308.44	2,365.00
Non-current portion	-	-

### Break-up of security details

Particulars	As at 31st March 2022	As at 31st March 2021
Trade receivables considered good - Secured	438.29	382.85
Trade receivables considered good - Unsecured	1,870.15	1,982.15
Trade receivables - credit impaired	57.03	48.54
<b>Total</b>	<b>2,365.47</b>	<b>2,413.54</b>
Loss allowance	(57.03)	(48.54)
<b>Total trade receivables</b>	<b>2,308.44</b>	<b>2,365.00</b>



## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 11: Trade receivables (contd.)

#### Aging of Trade Receivables

Particulars	As at 31st March 2022						Total	
	Unbilled	Outstanding for following periods from due date of payment						
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years		More than 3 years
(i) Undisputed Trade receivables- considered good	-	2113.03	53.96	60.85	49.93	25.81	4.86	2,308.44
(ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables- credit impaired	-	-	-	-	8.42	0.07	48.54	57.03
(iv) Disputed Trade receivables- considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>2,113.03</b>	<b>53.96</b>	<b>60.85</b>	<b>58.35</b>	<b>25.88</b>	<b>53.40</b>	<b>2,365.47</b>

#### Aging of Trade Receivables

Particulars	As at 31st March 2021						Total	
	Unbilled	Outstanding for following periods from due date of payment						
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years		More than 3 years
(i) Undisputed Trade receivables- considered good	-	1,664.14	494.66	91.71	94.00	0.44	20.05	2,365.00
(ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	48.54	48.54
(iv) Disputed Trade receivables- considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1,664.14</b>	<b>494.66</b>	<b>91.71</b>	<b>94.00</b>	<b>0.44</b>	<b>68.59</b>	<b>2,413.54</b>

(a) Trade receivables are generally on term of up to 10 days.

(b) Refer note 41 for credit risk and market risk on trade receivables.

(c) Trade receivables are pledged against the borrowings obtained by the Company as referred in note 22.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 12: Cash and cash equivalents

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with banks:		
- On current accounts	387.67	1,169.63
Cash on hand	2.52	4.95
	<b>390.19</b>	<b>1,174.58</b>

### Note 13: Other bank balances

Particulars	As at 31st March 2022	As at 31st March 2021
On unpaid dividend accounts*	46.12	45.68
Deposits with remaining maturity of more than 3 months but less than 12 months**	107.29	120.40
	<b>153.41</b>	<b>166.08</b>

\* Earmarked for payment of unclaimed dividend

\*\* Lodged with government departments/banks as security.

### Note 14: Loans - current

Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured, considered good		
Loans to employees	8.43	2.37
	<b>8.43</b>	<b>2.37</b>

The Company has not granted loans to its promoters, directors, KMPs and the other related parties (as defined under Companies Act, 2013) which are repayable on demand or without specifying any terms or period of repayment or any other loans or advance in the nature of loans.

### Note 15: Other financial assets - current

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, considered good</b>		
Interest accrued on loans, deposits, etc.	18.45	6.80
Trade and other deposits	8.94	95.91
<b>Credit impaired</b>		
Trade and other deposits	10.00	10.00
Less: Loss allowance	(10.00)	(10.00)
	<b>27.39</b>	<b>102.71</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 16: Other current assets

Particulars	As at	
	31st March 2022	31st March 2021
<b>Unsecured, considered good</b>		
Deposits against demand under dispute	47.62	0.23
Balances with government authorities (other than income taxes)	94.82	105.40
Prepaid expenses	562.99	409.94
Export incentives receivable	318.17	264.37
Claims and refunds receivable	100.83	76.25
Advances recoverable	2,534.32	1,347.36
	<b>3,658.75</b>	<b>2,203.55</b>

### Note 17: Equity share capital

Particulars	As at	
	31st March 2022	31st March 2021
<b>Authorised shares</b>		
75,00,00,000 (31st March 2021: 75,00,00,000) Equity Shares of Re.1/- each	7,500.00	7,500.00
25,00,000 (31st March 2021: 25,00,000) Preference Shares of Rs. 100/- each	<b>2,500.00</b>	<b>2,500.00</b>

Particulars	As at	
	31st March 2022	31st March 2021
<b>Issued shares</b>		
21,22,04,712 (31st March 2021: 21,22,04,712) Equity Shares of Re.1/- each	2,122.05	2,122.05
Total issued capital	<b>2,122.05</b>	<b>2,122.05</b>

Particulars	As at	
	31st March 2022	31st March 2021
<b>Subscribed and paid-up shares</b>		
21,21,85,502 (31st March 2021: 21,21,85,502) Equity Shares of Re.1/- each	2,121.86	2,121.86
Forfeited shares (amount originally paid-up)	0.10	0.10
Total subscribed and paid-up share capital	<b>2,121.96</b>	<b>2,121.96</b>

#### (a) Reconciliation of the shares outstanding at the beginning and at the end of the year

##### Equity shares

Particulars	As at		As at	
	31st March 2022		31st March 2021	
	No. in lacs	Amount	No. in lacs	Amount
At the beginning of the year	2,121.86	2,121.86	2,121.86	2,121.86
Changes due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	2,121.86	2,121.86	2,121.86	2,121.86
Changes during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>2,121.86</b>	<b>2,121.86</b>	<b>2,121.86</b>	<b>2,121.86</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 17: Equity share capital (contd.)

#### (b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at			As at		
	31st March 2022			31st March 2021		
	No. shares in lacs	% holding in the class	% change	No. in lacs	% holding in the class	% change
<b>Equity shares of Re. 1 each fully paid</b>						
Central India Industries Limited	525.60	24.77%	-	525.60	24.77%	-
Shekhavati Investments and Traders Limited	132.21	6.23%	-	132.21	6.23%	-

#### (d) Details of shareholding of promoters:

Name of the promoter	As at			As at		
	31st March 2022			31st March 2021		
	Number of shares	Percentage of total number of shares	Percentage of change during the year	Number of shares	Percentage of total number of shares	Percentage of change during the year
<b>Equity shares of Re. 1 each fully paid</b>						
Amita Birla	3,28,000	0.15%	0.00%	3,28,000	0.15%	0.00%
Chandra Kant Birla	34,05,893	1.61%	0.00%	34,05,893	1.61%	0.00%
Nirmala Birla	36,06,410	1.70%	0.00%	36,06,410	1.70%	0.00%
Avani Birla	1,30,000	0.06%	0.00%	1,30,000	0.06%	0.00%
Avanti Birla	1,34,642	0.06%	0.00%	1,34,642	0.06%	0.00%
Amer Investments (Delhi) Limited	14,22,000	0.67%	0.00%	14,22,000	0.67%	0.00%
Hindusthan Discounting Company Limited	23,10,678	1.09%	0.00%	23,10,678	1.09%	0.00%
India Silica Magnesite Works Limited	2,00,000	0.09%	0.00%	2,00,000	0.09%	0.00%
Jaipur Finance And Dairy Products Pvt. Ltd.	2,08,000	0.10%	0.00%	2,08,000	0.10%	0.00%
National Engineering Industries Limited	5,37,400	0.25%	0.00%	5,37,400	0.25%	0.00%
Universal Trading Company Limited	9,12,280	0.43%	0.00%	9,12,280	0.43%	0.00%
Bengal Rubber Company Limited	1,95,000	0.09%	0.00%	1,95,000	0.09%	0.00%
Central India Industries Limited	5,25,59,648	24.77%	0.00%	5,25,59,648	24.77%	0.00%

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 17: Equity share capital (contd.)

Name of the promoter	As at 31st March 2022			As at 31st March 2021		
	Number of shares	Percentage of total number of shares	Percentage of change during the year	Number of shares	Percentage of total number of shares	Percentage of change during the year
Gwalior Finance Corporation Limited	16,49,375	0.78%	0.00%	16,49,375	0.78%	0.00%
Rajasthan Industries Ltd	6,90,035	0.33%	0.00%	6,90,035	0.33%	0.00%
Ashok Investment Corporation Ltd	6,83,038	0.32%	0.00%	6,83,038	0.32%	0.00%
Shekhavati Investments And Traders Ltd.	1,32,20,895	6.23%	0.00%	1,32,20,895	6.23%	0.00%
	<b>8,21,93,294</b>	<b>38.74%</b>		<b>8,21,93,294</b>	<b>38.74%</b>	

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

### Note 18: Other equity

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Reserves and surplus</b>		
Investment subsidy	15.00	15.00
Securities premium account	4,697.49	4,697.49
General reserve	11,006.84	11,006.84
Retained earnings	83,490.30	86,353.96
Equity instruments through other comprehensive income	53,953.97	42,604.75
	<b>1,53,163.60</b>	<b>1,44,678.04</b>

#### Investment subsidy

Particulars	As at 31st March 2022	As at 31st March 2021
Opening balance	15.00	15.00
<b>Closing balance</b>	<b>15.00</b>	<b>15.00</b>

#### Securities premium account

Particulars	As at 31st March 2022	As at 31st March 2021
Opening balance	4,697.49	4,697.49
<b>Closing balance</b>	<b>4,697.49</b>	<b>4,697.49</b>

#### General reserve

Particulars	As at 31st March 2022	As at 31st March 2021
Opening balance	11,006.84	11,006.84
<b>Closing balance</b>	<b>11,006.84</b>	<b>11,006.84</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 18: Other equity (contd.)

#### Retained earnings

Particulars	As at 31st March 2022	As at 31st March 2021
Opening balance	86,353.96	91,264.00
Loss for the year	(2,887.65)	(4,654.58)
Item of other comprehensive income recognised directly in retained earnings		
-Remeasurements of post-employment defined benefit plans, net of tax	208.37	260.99
Dividend paid (refer note 40)	(530.46)	(1,060.93)
Transferred from equity instruments through other comprehensive income on sale of equity shares	346.08	544.48
<b>Closing balance</b>	<b>83,490.30</b>	<b>86,353.96</b>

#### Equity instruments through other comprehensive income

Particulars	As at 31st March 2022	As at 31st March 2021
Opening balance	42,604.75	17,164.26
Change in fair value of FVOCI equity instruments during the year	13,439.20	29,403.28
Deferred tax for the year	(1,743.90)	(3,418.31)
Transferred to retained earnings on sale of equity shares*	(346.08)	(544.48)
<b>Closing balance</b>	<b>53,953.97</b>	<b>42,604.75</b>

\*Represents cumulative gain on disposal (net of tax). Fair value of such investments on the dates of disposal was Rs. 427.74 lacs. (31st March 2021: Rs. 616.26 lacs)

#### Nature and purpose of each reserve

##### Investment subsidy

This relates to amount received in earlier years towards investment subsidy.

Securities premium account

Securities premium is used to record premium received on issue of shares. The reserve may be utilised in accordance with the provisions of the Companies Act, 2013 of India (the "Act").

##### General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Act, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

#### Equity instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of investments in equity securities in other comprehensive income. The changes are accumulated within the 'equity instruments through other comprehensive income' reserve with equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 19: Borrowings - non-current

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Term loans (secured)</b>		
From banks	6,750.00	4,691.84
	<b>6,750.00</b>	<b>4,691.84</b>

- (a) Term loan of Rs. 7500.00 lacs (31st March 2021: Nil) from a bank is secured by way of first pari-passu charge on the property, plant and equipment (both present and future) pertaining to the Paper plants at Amlai & Brajrajnagar and carries interest @ 6.55% p.a. and is repayable in 20 equal quarterly instalments starting from 31st December 2022 up to 14th September 2027.
- (b) Term loan of Rs. 4,750.00 lacs (31st March 2021: Rs. 5000.00 lacs) from a bank is secured by way of first pari-passu charge on the property, plant and equipment (both present and future) pertaining to the Paper plants at Amlai & Brajrajnagar and carries interest @ 7.25% p.a. (31st March 2021: @ 7.25% to @8.00% p.a.) and is repayable in 20 equal quarterly instalments starting from 26th February 2022 up to 26th November 2026. During the current year, the Company could not comply with debt covenants regarding maintainability of minimum Interest Coverage ratio of 2 (Interest Coverage is defined as EBITDA/Interest Cost). Since the Company is having a negative EBITDA for the year ended March 31, 2022, the said covenant has not been complied with. In accordance with the paragraph 74 of Ind AS 1 'Presentation of Financial Statements', same has been classified under current borrowing.
- (c) Refer note 41 for information about liquidity risk and market risk on borrowings.
- (d) The borrowings obtained by the company from banks have been applied for the purposes for which such loans were taken.

### Note 20: Employee benefit obligations - non-current

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for gratuity (refer note 46)	632.69	731.98
	<b>632.69</b>	<b>731.98</b>

### Note 21: Deferred tax liabilities (net)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Deferred tax liabilities</b>		
Property, plant and equipment / intangible assets	29,414.68	29,482.32
On fair valuation of investments	3,033.80	1,289.90
<b>Gross deferred tax liabilities</b>	<b>32,448.48</b>	<b>30,772.22</b>
<b>Deferred tax assets</b>		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	1,015.11	1,193.23
Unabsorbed depreciation and carried forward business loss	3,353.93	1,930.85
Provision for doubtful debts and advances	23.42	20.46
Minimum alternate tax (MAT) credit entitlement	2,491.49	2,491.49
<b>Gross deferred tax assets</b>	<b>6,883.95</b>	<b>5,636.03</b>
<b>Deferred tax liabilities (net)</b>	<b>25,564.53</b>	<b>25,136.19</b>

Refer note 38 for movement in deferred tax (assets / liabilities) balances.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 22: Borrowings - current

Particulars	As at 31st March 2022	As at 31st March 2021
Cash credit / working capital demand loans from banks (secured)	3,246.31	3,281.41
<b>Term loans (secured)</b>		
From banks	3,704.34	-
From others	4,957.85	-
Current maturities of long term borrowings ( refer Note 19)	1,737.50	237.50
	<b>13,646.00</b>	<b>3,518.91</b>

- (a) Cash credit / working capital demand loans from banks are secured against hypothecation of stock-in-trade, work-in-progress, raw materials, stores and chemicals, book debts and other current assets of the Company and second charge on Property, plant and equipment pertaining to Paper plants at Amlai & Brajrajnagar of the Company and are repayable on demand. The above loans carry interest @ 5.00 % p.a. to 8.70 % p.a. (31st March 2021: 6.40% p.a. to 8.95% p.a. )
- (b) Short term loan of Rs. 5,000.00 lacs from others is secured by way of pledge of certain investments held by the Company, carries interest @ 7.75 % p.a. and is repayable on 28th March 2023.
- (c) The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken.

### Note 23: Trade payables

Particulars	As at 31st March 2022	As at 31st March 2021
Trade payables		
- total outstanding dues of micro and small enterprises (refer note 52)	392.39	233.61
- total outstanding dues of creditors other than micro and small enterprises	8,557.67	8,761.83
	<b>8,950.06</b>	<b>8,995.44</b>

### Aging of Trade Payables

Particulars	Unbilled	Not due	As at 31st March 2022				Total
			Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	294.77	97.62	-	-	-	392.39
(ii) Others	-	3,818.77	4,411.50	15.66	47.78	263.96	8,557.67
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>4,113.54</b>	<b>4,509.12</b>	<b>15.66</b>	<b>47.78</b>	<b>263.96</b>	<b>8,950.06</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 23: Trade payables (contd.)

#### Aging of Trade Payables

Particulars	Unbilled	Not due	As at 31st March 2021				Total
			Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	209.12	22.44	0.12	0.84	1.09	233.61
(ii) Others	-	3,038.93	5,292.73	72.72	118.79	238.66	8,761.83
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>3,248.05</b>	<b>5,315.17</b>	<b>72.84</b>	<b>119.63</b>	<b>239.75</b>	<b>8,995.44</b>

Trade payables are non-interest bearing and normally settled within 60 days term. Refer note 41 for information about liquidity risk and market risk on trade payables.

### Note 24: Other financial liabilities - current

Particulars	As at 31st March 2022	As at 31st March 2021
Interest accrued but not due on borrowings	54.20	9.20
Payables against purchase of Property, plant and equipment	2,170.58	1,700.12
Unpaid dividend	46.12	45.68
Trade and other deposits	909.34	1,055.52
	<b>3,180.24</b>	<b>2,810.52</b>

### Note 25: Employee benefit obligations - current

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for gratuity (refer note 46)	45.43	364.56
Provision for leave benefits (refer note 46)	633.33	735.00
	<b>678.76</b>	<b>1,099.56</b>

### Note 26: Current tax liabilities (net)

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for taxation [net of advance tax, TDS and refunds receivable Rs. Nil. lacs (31st March 2021: Rs. 2,867.53 lacs)]	-	67.47
	<b>-</b>	<b>67.47</b>

### Note 27: Other current liabilities

Particulars	As at 31st March 2022	As at 31st March 2021
Advance against sale of goods/ Property, plant and equipment (refer note 27a & 27b)	491.81	265.24
Statutory dues payable (other than income taxes)	1,458.03	1,309.15
Other payables	5.03	5.55
	<b>1,954.87</b>	<b>1,579.94</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 27a: Contract liabilities

Particulars	As at 31st March 2022	As at 31st March 2021
Contract liabilities- Sale of goods	491.81	265.24
<b>Total contract liabilities</b>	<b>491.81</b>	<b>265.24</b>

### Note 27b: Revenue recognised that was included in the contract liability balance at the beginning of the period

Particulars	As at 31st March 2022	As at 31st March 2021
Sale of goods	265.24	382.21

### Note 28: Revenue from operations

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>Revenue from contracts with customers</b>		
Sale of products	58,093.21	43,728.81
Other operating revenue		
Scrap sales	201.03	122.90
Export incentives	137.91	322.68
Sale of clonal plants	101.42	149.58
Other receipts	31.55	11.78
	<b>58,565.12</b>	<b>44,335.75</b>

#### Detail of products sold

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>Finished goods sold</b>		
Pulp,Paper & Board	46,395.83	34,865.41
C.S.Lye	5,970.09	4,404.76
C.S.Flakes	4,153.85	2,944.74
Liquid Chlorine	300.23	364.48
Hydrochloric Acid	183.11	729.93
Stable Bleaching Powder	1,090.10	419.49
	<b>58,093.21</b>	<b>43,728.81</b>

#### Reconciliation of revenue recognised with contract price:

Particulars	As at 31st March 2022	As at 31st March 2021
Contract price	58,794.00	45,341.83
Adjustments for:		
Refund liabilities	(228.88)	(1,006.08)
<b>Revenue from operations</b>	<b>58,565.12</b>	<b>44,335.75</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 29: Other income

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>Interest income</b>		
On financial instruments measured at amortised cost	41.24	48.11
On income tax refund	-	29.20
<b>Dividend income</b>		
On financial instruments measured at FVOCI *	478.73	287.76
<b>Others</b>		
Rental income from investment properties	220.53	206.21
Insurance and other claims	12.67	31.73
Rent and hire charges	53.76	50.24
Unspent liabilities, provisions no longer required and unclaimed balances written back	27.64	196.70
Gain on disposal of Property, plant and equipment (net)	-	0.78
Miscellaneous income	82.10	109.77
	<b>916.67</b>	<b>960.50</b>

\* All dividend from equity investments designated at FVOCI relate to investments held at the end of the reporting period except Rs 4.32 lacs (31st March 2021: Rs 1.24 lacs) on equity investments sold during the year.

### Note 30: Cost of raw materials consumed

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Inventory at the beginning of the year	2,019.30	3,031.79
Add: Purchases	17,728.47	13,203.55
	<b>19,747.77</b>	<b>16,235.34</b>
Less: Inventory at the end of the year	2,556.49	2,019.30
	<b>17,191.28</b>	<b>14,216.04</b>

### Note 31: Changes in inventories of finished goods and work-in-progress

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>Inventories at the end of the year</b>		
Work-in-progress	583.21	497.14
Finished goods	759.49	1,406.17
By-products	3.75	13.34
Scrap	60.04	38.90
	<b>1,406.49</b>	<b>1,955.55</b>
<b>Inventories at the beginning of the year</b>		
Work-in-progress	497.14	518.15
Finished goods	1,406.17	986.47
By-products	13.34	2.57
Scrap	38.90	44.58
	<b>1,955.55</b>	<b>1,551.77</b>
<b>Changes in inventories</b>	<b>549.06</b>	<b>(403.78)</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 32: Power & Fuel

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Power & Fuel	17,388.74	11,630.46
	<b>17,388.74</b>	<b>11,630.46</b>

### Note 33: Employee benefits expense

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Salaries, wages and bonus	6,947.07	6,844.57
Contribution to provident and other funds (refer note 46)	560.63	549.78
Gratuity expense (refer note 46)	212.59	231.98
Staff welfare expenses	413.62	445.90
	<b>8,133.91</b>	<b>8,072.23</b>

### Note 34: Finance costs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Interest and finance charges #	313.48	499.93
Interest on leased liabilities #	97.42	108.76
Interest expense on income tax	0.05	0.17
Other borrowing costs #	87.00	51.25
	<b>497.95</b>	<b>660.12</b>

# Arising on financial liabilities not at fair value through profit or loss.

Borrowing costs capitalized Rs 707.56 lacs (31st March 2021 - Nil).

### Note 35: Depreciation and amortisation expense

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Depreciation on Property, plant and equipment (refer note 3)	3,012.58	3,095.46
Depreciation on Right - of - use assets (refer note 3A)	88.62	92.64
Depreciation on investment properties (refer note 4)	4.37	4.37
Amortisation on intangible assets (refer note 5)	14.60	46.56
	<b>3,120.17</b>	<b>3,239.03</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 36: Other expenses

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Consumption of stores and spare parts	7,569.47	5,713.13
Handling and other charges to contractors	2,074.89	1,657.42
Packing, freight and forwarding charges	2,697.31	2,398.01
Rent	38.12	8.73
Rates and taxes	323.70	236.92
Insurance	316.47	315.89
Repairs:		
Plant and machinery	2,018.03	1,719.39
Buildings	260.17	252.00
CSR expenditure (refer note 36a)	41.76	133.59
Advertising and sales promotion	4.17	1.14
Directors' sitting fees	66.00	55.00
Commission on sales	65.65	145.07
Payment to auditor		
As auditor:		
Audit fee	12.00	12.00
Limited review	9.00	9.00
Tax audit fee	2.00	2.00
For certificates and other services	2.00	2.50
Reimbursement of expenses	2.10	2.54
Payment to cost auditor	0.60	0.90
Net loss on foreign currency transactions and translations	28.86	12.28
Professional and consultancy charges	556.14	525.67
Bad debts / advances written off (net of reversals)	-	0.49
Donation	1.00	-
Provision for doubtful debts and advances	8.49	-
Loss on disposal of property, plant & equipment (net)	11.35	-
Miscellaneous expenses	882.87	954.77
	<b>16,992.15</b>	<b>14,158.44</b>

### Note 36a: Corporate social responsibility expenditure

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities	41.76	133.59
Amount of expenditure incurred	94.30	147.82
Amount of shortfall / (excess) for the year	(52.54)	(14.23)
Amount of cumulative shortfall / (excess) for the year	(66.77)	(14.23)

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 36a: Corporate social responsibility expenditure (contd.)

#### Disclosures in relation to corporate social responsibility expenditure

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
1. Maintenance of Hospital	61.76	63.76
2. (i) Contribution to Red Cross Society for purchase of Ventilators	-	10.00
(ii) Supply of masks, sanitizers and medicines and related activities for awareness/prevention of CoVID 19	2.48	3.13
3. Contribution towards maintenance of School	17.94	56.12
4. Supply of free Water	0.90	3.20
5. Fly ash supply for use in village road construction	-	9.35
6. Contribution to State Government for Amarkantak Narmoda Mahotsav	0.51	2.26
7. Construction of toilets	1.50	-
8. Contribution to State Government and contribution to Red Cross Society	8.67	-
9. Pest controls & others	0.54	-
<b>TOTAL</b>	<b>94.30</b>	<b>147.82</b>
Accrual towards unspent obligations in relation to:	-	-
Ongoing project	-	-
Other than ongoing projects	-	-
Total	94.30	147.82
Amount required to be spent as per Section 135 of the Act	41.76	133.59
Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	94.30	147.82
<b>Total</b>	<b>94.30</b>	<b>147.82</b>

With the company	Balance as at 1st April 2021		Amount spent during the year		Balance as at 31st March 2022	
	In separate CSR unspent account	Amount required to be spent during the year	From the company's bank account	From separate CSR unspent account	With the company	In separate CSR unspent account
Details of ongoing CSR projects under Section 135(6) of the Act	-	-	-	-	-	-

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 36a: Corporate social responsibility expenditure (contd.)

	Balance unspent as at 1 April 2021	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at 31 March 2022
Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects	-	-	41.76	94.30	-

	Balance excess spent as at 1st April 2021	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 31st March 2022
Details of excess CSR expenditure under Section 135(5) of the Act	14.23	41.76	94.30	66.77

### Note 36b: Research and development expenditure

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Capital nature	-	5.93
Revenue nature	138.67	121.41

### Note 37: Income tax expense

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>(a) Income tax expense recognised in Statement of Profit and Loss</b>		
Current tax		
Current tax on profits for the year	-	-
Adjustment for current tax of earlier years	(76.34)	-
<b>Total current tax expense</b>	<b>(76.34)</b>	<b>-</b>
Deferred tax		
Origination / (reversal) of temporary differences	(1,427.48)	(1,621.71)
<b>Total deferred tax expense/(benefit)</b>	<b>(1,427.48)</b>	<b>(1,621.71)</b>
<b>Total income tax expense recognised in profit or loss</b>	<b>(1,503.82)</b>	<b>(1,621.71)</b>
<b>Income tax expense is attributable to:</b>		
Profit from continuing operations	(1,503.82)	(1,621.71)
<b>(b) Income tax expense recognised in other comprehensive income</b>		
Deferred tax - expense / (benefit)		
Remeasurements of post employment benefit obligations	111.92	140.16
Changes in the fair value of equity investments at FVOCI	1,743.90	3,418.31
<b>Total deferred tax expense/ (benefit)</b>	<b>1,855.82</b>	<b>3,558.47</b>
<b>Total income tax expense/ (benefit) recognised in other comprehensive income</b>	<b>1,855.82</b>	<b>3,558.47</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 37: Income tax expense (contd.)

#### (c) Numerical reconciliation of income tax expense to prima facie tax payable:

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Profit before income tax expense	(4,391.47)	(6,276.29)
	<b>(4,391.47)</b>	<b>(6,276.29)</b>
Computed income tax at the rate of 34.944% (31st March 2021 - 34.944%)	(1,534.56)	(2,193.19)
Adjustments:		
Income exempt from tax	-	-
Expenses not allowed in tax	17.08	48.47
Standard deduction on income from house property	(27.99)	(26.44)
Long Term Capital Gain consider in OCI recouped to reduce current tax	-	215.34
Miscellaneous items	117.99	334.11
Adjustment for current tax of earlier years	(76.34)	-
<b>Total income tax expense</b>	<b>(1,503.82)</b>	<b>(1,621.71)</b>

The applicable Indian statutory income tax rate for the year ended 31st March 2022 was 34.944% and for the year ended 31st March 2021 was 34.944%.

Taxation Laws (Amendment) Act, 2019 enacted on December 11, 2019 [Promulgated as the Taxation Laws (Amendment) Ordinance, 2019 on September 20, 2019] amends the Income Tax Act, 1961, and the Finance (No. 2) Act, 2019. The Ordinance/ Act provides domestic companies an option for lower tax rates, provided they do not claim certain deductions. The Company have not opted for the lower tax rate and applied the rate existing prior to the Ordinance/ Act in making provision of its tax liability for the financial year.

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

### Note 38: Deferred tax assets/liabilities

Particulars	Property, plant and equipment / intangible assets	Fair valuation of investments	MAT Credit entitlement	Unabsorbed depreciation and carried forward business loss	Items allowable on payment basis	Others	Total
<b>At 1st April 2020</b>	<b>29,218.58</b>	<b>(2,128.41)</b>	<b>(2,491.49)</b>	<b>(12.98)</b>	<b>(1,365.81)</b>	<b>(20.46)</b>	<b>23,199.43</b>
Charged/(credited):							
- to profit or loss	263.74	-	-	(1,917.87)	32.42	-	(1,621.71)
- to other comprehensive income	-	3,418.31	-	-	140.16	-	3,558.47
<b>At 31st March 2021</b>	<b>29,482.32</b>	<b>1,289.90</b>	<b>(2,491.49)</b>	<b>(1,930.85)</b>	<b>(1,193.23)</b>	<b>(20.46)</b>	<b>25,136.19</b>
Charged/(credited):							
- to profit or loss	(67.64)	-	-	(1,423.08)	66.20	(2.96)	(1,427.48)
- to other comprehensive income	-	1,743.90	-	-	111.92	-	1,855.82
<b>At 31st March 2022</b>	<b>29,414.68</b>	<b>3,033.80</b>	<b>(2,491.49)</b>	<b>(3,353.93)</b>	<b>(1,015.11)</b>	<b>(23.42)</b>	<b>25,564.53</b>



## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 39: Fair value measurements

#### Financial instruments by category

Particulars	Note	As at 31st March 2022		As at 31st March 2021	
		FVOCI	Amortised cost	FVOCI	Amortised cost
<b>Financial assets</b>					
Investments in equity instruments*	6	53,842.24	-	43,565.21	-
Investments in government securities	6	-	0.17	-	0.17
Trade receivables	11	-	2,308.44	-	2,365.00
Cash and cash equivalents	12	-	390.19	-	1,174.58
Other bank balances	13	-	153.41	-	166.08
Loans to employees	14	-	8.43	-	2.37
Trade and other deposits	7,15	-	412.55	-	489.88
Deposits with original maturity of more than 12 months	7	-	30.64	-	30.64
Interest accrued on loans, deposits etc.	15	-	18.45	-	6.80
<b>Total financial assets</b>		<b>53,842.24</b>	<b>3,322.28</b>	<b>43,565.21</b>	<b>4,235.52</b>
<b>Financial liabilities</b>					
Borrowings (including current maturities)	19,22	-	20,396.00	-	8,210.75
Lease Liabilities	3A	-	609.41	-	609.70
Trade payables	23	-	8,950.06	-	8,995.44
Other financial liabilities	24	-	3,180.24	-	2,810.52
<b>Total financial liabilities</b>		<b>-</b>	<b>33,135.71</b>	<b>-</b>	<b>20,626.41</b>

\*The Company has made an irrevocable election at date of transition to recognise changes in fair value of investments in equity securities which are not held for trading through OCI rather than profit or loss as the management believes that presenting fair value gains and losses relating to these investments in the Statement of Profit and Loss may not be indicative of the performance of the Company.

#### (i) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3, as described below:

**Quoted prices in an active market (level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

**Valuation techniques with observable inputs (level 2):** This level of hierarchy includes financial assets and liabilities, measured using 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).

**Valuation techniques with significant unobservable inputs (level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes Company's investments in equity shares which are unquoted or for which quoted prices are not available at the reporting dates.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between level 1 and level 2 fair value measurements during the year ended 31st March 2022 and 31st March 2021.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 39: Fair value measurements (contd.)

#### (a) Financial instruments

Particulars	As at 31st March 2022			
	Level 1	Level 2	Level 3	Level 4
<b>Financial assets:</b>				
Investments in equity instruments	53,371.73	-	470.51	53,842.24
<b>Total</b>	<b>53,371.73</b>	<b>-</b>	<b>470.51</b>	<b>53,842.24</b>

Particulars	As at 31st March 2021			
	Level 1	Level 2	Level 3	Level 4
<b>Financial assets:</b>				
Investments in equity instruments	43,288.69	-	276.52	43,565.21
<b>Total</b>	<b>43,288.69</b>	<b>-</b>	<b>276.52</b>	<b>43,565.21</b>

#### Fair value measurements using significant unobservable inputs (level 3)

Fair valuation of unquoted equity investments is based on valuation done by management using Market Approach (Market Multiples Method) for GMMCO Limited and Income Approach (Capitalisation Method) for Birla Buildings Limited respectively. A change in significant unobservable inputs used in such valuation (mainly EV / EBIDTA and risk adjusted discount rate) is not expected to have a material impact on the fair values of such assets as disclosed above.

Reconciliation of level 3 fair value measurements	Amount
<b>As at 31st March 2021</b>	<b>276.52</b>
Add: Change in value of unquoted equity investments measured at FVOCI	193.99
<b>As at 31st March 2022</b>	<b>470.51</b>

#### (b) Biological assets other than bearer plants

This section explains the judgements and estimates made in determining the fair values of the biological assets other than bearer plants that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its biological assets other than bearer plants into level 2 in the fair value hierarchy, since no significant adjustments need to be made to the prices obtained from the local markets.

Biological assets other than bearer plants for which fair value (less cost to sell) are disclosed:

Particulars	As at 31st March 2022			As at 31st March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Biological assets other than bearer plants (Refer note 43)	-	98.36	-	-	167.89	-
<b>Total</b>	<b>-</b>	<b>98.36</b>	<b>-</b>	<b>-</b>	<b>167.89</b>	<b>-</b>

There were no transfers between any levels during the year.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the financial instruments is determined using Market Approach & Income Approach.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 39: Fair value measurements (contd.)

#### (iii) Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at 31st March 2022		As at 31st March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>				
Lease Liabilities (Refer note 3A)	609.41	609.41	609.70	876.51
<b>Total financial liabilities</b>	<b>609.41</b>	<b>609.41</b>	<b>609.70</b>	<b>876.51</b>

- (a) Investments carried at fair value are generally based on market price quotations. However, in cases, where quoted prices are not available, the management has used relevant valuation techniques.
- (b) Fair value of lease liabilities in table above is estimated by discounting expected future cash flows.
- (c) The management assessed that the fair values of remaining financial assets and liabilities at amortised cost approximate to their carrying amounts largely due to the short-term maturities of these instruments.
- (d) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

### Note 40: Capital management

#### (a) Risk management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return of capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Company:

Particulars	As at 31st March 2022	As at 31st March 2021
Total borrowings (Refer note 19/22)	20,396.00	8,210.75
Lease Liabilities (refer note 3A)	609.41	609.70
Less: Cash and cash equivalents (refer note 12)	(390.19)	(1,174.58)
<b>Net debt</b>	<b>20,615.22</b>	<b>7,645.87</b>
<b>Equity (Refer note 17 &amp; 18)</b>	<b>1,55,285.56</b>	<b>1,46,800.00</b>
<b>Total capital (equity+ net debt)</b>	<b>1,75,900.78</b>	<b>1,54,445.87</b>
<b>Net debt to total capital ratio</b>	<b>11.72%</b>	<b>4.95%</b>

No changes were made to the objectives, policies or processes for managing capital during the years ended 31st March 2022 and 31st March 2021.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 40: Capital management (contd.)

#### Loan covenants:

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants. The Company has complied with the debt covenants, as applicable, throughout the reporting period. Also, refer note 19(b).

#### (b) Dividends paid and proposed

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>(i) Equity shares</b>		
<b>Final dividend :</b>		
For the year ended 31st March 2020 of Re.0.50		1,060.93
For the year ended 31st March 2021 of Re.0.25	530.46	
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, at year-end, the board of directors have recommended the payment of a final dividend of Re.0.25 (31st March 2021: Re.0.25) per fully paid equity share. The proposed final dividend is subject to the approval of shareholders in the ensuing annual general meeting.	530.46	530.46

### Note 41: Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of it in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Diversification of customer base
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (Rupees)	Cash flow forecasting Sensitivity analysis	Regular monitoring of currency movements
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Diversified debt portfolio Regular monitoring of borrowings
Market risk - security prices	Investments in equity securities	Sensitivity analysis	Regular monitoring of security prices
Market risk - commodity prices	Variable commodity prices	Movement in commodity prices	Regular monitoring of commodity prices and fixed price contracts

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 41: Financial risk management (contd.)

#### (A) Credit risk

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 40.

#### (i) Trade and other receivables

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying up to 10 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, domestic trade receivables are backed by security deposits. Export receivables are backed by letters of credit.

The Company uses specific identification method in determining the allowances for credit losses of trade receivables considering historical credit loss experience and is adjusted for forward looking information.

The ageing of trade receivables (net of provisions) as of balance sheet date is given below. The age analysis have been considered from the due date:

Particulars	Less than 180 days	More than 180 days	Total
Trade receivables as at 31st March 2022 (gross)	2,166.99	198.48	2,365.46
Less: Provision for impairment loss	-	(57.03)	(57.03)
<b>Trade receivables as at 31st March 2022 (net)</b>	<b>2,166.99</b>	<b>141.44</b>	<b>2,308.43</b>

Particulars	Less than 180 days	More than 180 days	Total
Trade receivables as at 31st March 2021 (gross)	2,158.80	254.74	2,413.54
Less: Provision for impairment loss	-	(48.54)	(48.54)
<b>Trade receivables as on 31st March 2021 (net)</b>	<b>2,158.80</b>	<b>206.20</b>	<b>2,365.00</b>

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

#### (ii) Other financial assets and deposits

Credit risk from balances with banks, deposits, etc is managed by the Company's finance department. Investments of surplus funds are made only with approved counterparties in accordance with the Company's policy. None of the Company's cash equivalents with banks, deposits, investments and other receivables were past due or impaired as at 31st March 2022 and 31st March 2021 (except for deposits of Rs. 10.00 lacs).

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 41: Financial risk management (contd.)

#### (iii) Reconciliation of impairment provision

Particulars	Trade receivables	Deposits
Opening balance as at 31st March 2021	48.54	10.00
Provision made during the year ended 31st March 2022 (on account of bad debt)	8.49	-
<b>Closing balance as at 31st March 2022</b>	<b>57.03</b>	<b>10.00</b>

The impairment provision as disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions based on the Company's past history, existing market condition as well as forward looking estimates at the end of each reporting period.

#### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally performed in accordance with practice and limits set by the Company.

#### (i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31st March 2022	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Borrowings and interest thereon*	9,995.85	7,462.50	2,991.84	-	20,450.19
Lease Liabilities	118.26	341.11	150.04	-	609.41
Trade payables	8,950.06	-	-	-	8,950.06
Other financial liabilities	3,180.24	-	-	-	3,180.24
<b>Total financial liabilities</b>	<b>22,244.41</b>	<b>7,803.61</b>	<b>3,141.88</b>	<b>-</b>	<b>33,189.90</b>

Contractual maturities of financial liabilities 31st March 2021	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Borrowings and interest thereon*	3,303.10	3,275.00	1,641.84	-	8,219.94
Lease Liabilities	196.05	283.50	283.50	-	763.05
Trade payables	8,995.44	-	-	-	8,995.44
Other financial liabilities	2,805.81	-	-	-	2,805.81
<b>Total financial liabilities</b>	<b>15,300.40</b>	<b>3,558.50</b>	<b>1,925.34</b>	<b>-</b>	<b>20,784.24</b>

\*gross of debt origination cost

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 41: Financial risk management (contd.)

#### (C) Market risk

##### (i) Foreign currency risk

The Company deals with foreign trade payables, trade receivables etc. and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

##### Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rupees lacs (foreign currency amount multiplied by closing rate), are as follows:-

##### As at 31st March 2022

Particulars	USD	GBP	EUR
<b>Financial assets</b>			
Trade receivables	76.47	-	295.52
<b>Financial liabilities</b>			
Trade payables	116.02	-	-
<b>Net exposure to foreign currency risk</b>	<b>(39.55)</b>	<b>-</b>	<b>295.52</b>

##### As at 31st March 2021

Particulars	USD	GBP	EUR
<b>Financial assets</b>			
Trade receivables	410.15	2.67	26.77
<b>Financial liabilities</b>			
Trade payables	223.47	-	0.89
<b>Net exposure to foreign currency risk</b>	<b>186.68</b>	<b>2.67</b>	<b>25.88</b>

##### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit before tax	
	As at 31st March 2022	As at 31st March 2021
<b>USD sensitivity</b>		
Rupees appreciates by 5% (31st March 2021 - 5%)@	1.98	(9.33)
Rupees depreciates by 5% (31st March 2021 - 5%)@	(1.98)	9.33
<b>GBP sensitivity</b>		
Rupees appreciates by 5% (31st March 2021 - 5%)@	-	(0.13)
Rupees depreciates by 5% (31st March 2021 - 5%)@	-	0.13
<b>EUR sensitivity</b>		
Rupees appreciates by 5% (31st March 2021 - 5%)@	(14.78)	(1.29)
Rupees depreciates by 5% (31st March 2021 - 5%)@	14.78	1.29

@ Holding all other variables constant

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 41: Financial risk management (contd.)

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March 2022 and 31st March 2021, the Company's borrowings at variable rate were mainly denominated in Rupees.

The Company's fixed rate borrowings and deposits with banks are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

##### (a) Interest rate risk exposure

###### On financial liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	As at	As at
	31st March 2022	31st March 2021
Profit before income tax expense	20,396.00	8,210.75
<b>Total income tax expense</b>	<b>20,396.00</b>	<b>8,210.75</b>

##### (b) Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates on variable rate borrowings as below:

Particulars	Impact on profit before tax	
	As at 31st March 2022	As at 31st March 2021
Interest expense rates - increase by 50 basis points (50 bps)#	(101.98)	(41.05)
Interest expense rates - decrease by 50 basis points (50 bps)#	101.98	41.05

# Holding all other variables constant

##### (iii) Securities price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

##### (a) Exposure

The Company's exposure to securities price risk arises from investments in equity instruments held by the Company and classified in the balance sheet at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company does regular monitoring of security prices. In general, these investments are not held for trading purposes.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 41: Financial risk management (contd.)

#### (b) Sensitivity

The table below summarises the impact of increase/decrease of the share prices on the Company's equity.

Particulars	Impact on other components of equity (before tax)	
	As at 31st March 2022	As at 31st March 2021
Share price - Increase by 5%#	2,668.59	2,164.43
Share price - Decrease by 5%#	(2,668.59)	(2,164.43)

# Holding all other variables constant

#### (iv) Commodities price risk

The Company has in place policies to manage the Company's exposure to fluctuation in the prices of the key materials and commodities used in the operations. Nevertheless, it believes that it has competitive advantage in terms of quality products and by continually upgrading its expertise and range of products to meet the needs of its customers. Commodities price risk exposure is evaluated and managed through operating procedures and sourcing policies. The management does not consider the Company's exposure to commodities price risk significant as on 31st March 2022.

### Note 42: Net debt reconciliation

This section sets out an analysis of debt and the movements in debt during the year

Particulars	As at 31st March 2022	As at 31st March 2021
Current borrowings excluding current maturity of long term debt (refer note 22)	11,908.50	3,281.41
Current maturities of long term debt (refer note 22)	1,737.50	237.50
Non-current borrowings (refer note 19)	6,750.00	4,691.84
Lease Liabilities (refer note 3A)	609.41	609.70
Interest accrued (refer note 24)	54.20	9.20
<b>DEBT</b>	<b>21,059.61</b>	<b>8,829.65</b>

Particulars	Liabilities from financing activities			
	Non-current borrowings (including current maturities and interest accrued)	Lease obligations	Current borrowings	Total
Net Debt as at 1st April 2020	361.32	721.98	2,517.49	3,600.79
Recognised on adoption of Ind AS 116 (refer note 3A)	-	-	-	-
<b>Net Debt as at 1st April 2020 (restated)</b>	<b>361.32</b>	<b>721.98</b>	<b>2,517.49</b>	<b>3,600.79</b>
Cash flows	4,572.74	(112.28)	763.92	5,224.38
Interest expense (refer note 34)	87.57	108.76	412.36	608.69
Other borrowings costs expense (refer note 34)	-	-	51.25	51.25
Interest paid	(83.09)	(108.76)	(412.36)	(604.21)
Other borrowings costs paid	-	-	(51.25)	(51.25)

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 42: Net debt reconciliation (contd.)

Particulars	Liabilities from financing activities			
	Non-current borrowings (including current maturities and interest accrued)	Lease obligations	Current borrowings	Total
<b>Debt as at 31st March 2021</b>	<b>4,938.54</b>	<b>609.70</b>	<b>3,281.41</b>	<b>8,829.65</b>
Cash flows	7,250.00	(121.67)	4,935.25	12,063.58
Increase due to additions to Right of Use assets	-	121.38	-	121.38
Interest expense (refer note 34)	41.10	97.42	272.38	410.90
Interest expense capitalized (refer note 34)*	601.15	-	106.41	707.56
Other borrowings costs expense (refer note 34)	-	-	87.00	87.00
Interest paid	3.90	(97.42)	(979.95)	(1,073.47)
Other borrowings costs paid	-	-	(86.99)	(86.99)
<b>Debt as at 31st March 2022</b>	<b>12,834.69</b>	<b>609.41</b>	<b>7,615.51</b>	<b>21,059.61</b>

\* Corresponding impact on purchases of property, plant and equipment.

### Note 43: Biological Assets other than bearer plant

#### Eucalyptus plantations - non-current assets

Particulars	As at 31st March 2022	As at 31st March 2021
<b>As at opening date</b>	<b>41.91</b>	<b>39.52</b>
Increase/(Decrease) due to purchases / physical changes	(1.08)	2.39
<b>As at closing date</b>	<b>40.83</b>	<b>41.91</b>

Particulars	As at 31st March 2022	As at 31st March 2021
Plantation area (in acres)	502	478

#### Clonal plants - current assets

Particulars	As at 31st March 2022	As at 31st March 2021
<b>As at opening date</b>	<b>125.98</b>	<b>285.52</b>
Increase due to purchases / physical changes	39.49	40.29
Decrease due to sale	(107.94)	(199.83)
<b>As at closing date</b>	<b>57.53</b>	<b>125.98</b>

Particulars	As at 31st March 2022	As at 31st March 2021
Sale of clonal plants during the year (qty in numbers)	22,38,578	33,40,220

Closing stock of biological assets	As at 31st March 2022	As at 31st March 2021
Quantity (in numbers)	17,59,336	38,52,454

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 44: Segment information

The Company is primarily engaged in single reportable operating segment viz. Paper and hence no segment disclosure is required. However, the Company has reported revenue from external customers based on location of customer in different geographical areas. The performance of the single segment is reviewed by the Managing Director of the Company (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of financial statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before tax.

### Entity wise disclosures

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown below:

Year ended 31st March 2022	India	UAE	Rest of the world	Total
Revenue				
<b>Revenue from external customers</b>	<b>50,622.06</b>	<b>3,281.60</b>	<b>4,661.46</b>	<b>58,565.12</b>

Year ended 31st March 2021	India	UAE	Rest of the world	Total
Revenue				
<b>Revenue from external customers</b>	<b>35,983.75</b>	<b>2,937.00</b>	<b>5,415.00</b>	<b>44,335.75</b>

All non-current assets of the Company (excluding financial assets) are located in India.

### Note 45: Related party disclosures

#### Names of related parties and related party relationship

#### Related parties with whom transactions have taken place during the year

Investing Company *	Central India Industries Limited
Members of the Board of Directors/ Key Management Personnel (KMP)	<p>Mr. C.K.Birla (Non-executive Chairman)</p> <p>Ms. Gauri Rasgotra (Non-executive Director)</p> <p>Mr. S. Vishwanathan (Non-executive Director)</p> <p>Mr. A. Bishnoi (Non-executive Director)</p> <p>Mr. R K Agarwal (Non-executive Director)</p> <p>Mr. M.L. Pachisia (Managing director) (Upto 31-03-2022)</p> <p>Mr. Ashwin. J. Laddha (CEO w.e.f. 14-01-2022 and Managing Director w.e.f 01-04-2022)</p> <p>Mr. P. K. Sonthalia (President Finance &amp; CFO)</p> <p>Mr. CS Kashikar( COO-Amlai Paper Mills) (w.e.f. 15-08-2021)</p> <p>Mr. Ajay Gupta (CEO-Amlai Paper Mills) (Ceased from 28-01-2021)</p> <p>Mr. R.P.Dutta (Company Secretary)</p>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 45: Related party disclosures (contd.)

Public Limited Company in which a director or manager is a director and holds along with his relatives, more than 2% percent of its paid up share capital.	<p>Orient Cement Limited</p> <p>Orient Electric Limited</p>
Relatives of member of board of directors /KMP #	<p>Ms. Nirmala Birla</p> <p>Ms. Amita Birla</p> <p>Ms. Avani Birla</p> <p>Ms. Avanti Birla</p>
Post-employment employee benefit plans	<p>Birla Industries Provident Fund</p> <p>Orient Paper &amp; Industries Limited Employees Gratuity Fund</p> <p>Orient Paper &amp; Industries Limited Superannuation Fund</p>
Other related entities	<p>Amer Investments (Delhi) Limited</p> <p>Ashok Investment Corporation Limited</p> <p>Birla Brothers Private Limited</p> <p>Birla Buildings Limited</p> <p>Bengal Rubber Company Limited</p> <p>C K Birla Corporate Services Limited</p> <p>GMMCO Limited</p> <p>Gwalior Finance Corporation Limited</p> <p>HIL Limited</p> <p>Hindustan Motors Limited</p> <p>Hindusthan Discounting Company Limited</p> <p>India Silica Magnesite Works Limited</p> <p>Jaipur Finance &amp; Dairy Products Private Limited</p> <p>Khaitan &amp; Co. LLP.</p> <p>National Engineering Industries Limited</p> <p>Origami Cellulo Private Limited</p> <p>Rajasthan Industries Limited</p> <p>Shekhavati Investment &amp; Traders Limited</p> <p>Soorya Vanijya &amp; Investment Limited</p> <p>Universal Trading Company Limited</p>

\* shareholding in the reporting entity is more than 20% as investor.

# holding more than 2% of paid up share capital in the Company alongwith Mr. C. K. Birla.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 45: Related party disclosures (contd.)

#### Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

#### a. Investing Company

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Dividend paid	131.40	262.80

#### b. Transactions with key managerial personnel/directors

##### (i) Key management personnel/directors compensation\*\*

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Short-term employee benefits (including sitting fees and commission)	826.44	800.51
Contribution to defined contribution plans	82.24	77.32
	<b>908.68</b>	<b>877.83</b>

\*\*No separate valuation is done for key managerial personnel in respect of post-employment benefits and other long-term benefits. The same is included in the note 46-Employee benefits.

##### (ii) Remuneration to key managerial personnel/directors

Particulars	Year ended	Transaction during the year
Short term employee benefits / contribution to defined benefit plans		
Mr. M.L. Pachisia	<b>31-Mar-22</b>	<b>419.75</b>
	31-Mar-21	381.27
Mr. A. J. Laddha	<b>31-Mar-22</b>	<b>53.84</b>
	31-Mar-21	-
Mr. P. K. Sonthalia	<b>31-Mar-22</b>	<b>294.65</b>
	31-Mar-21	267.08
Mr. Ajay Gupta	<b>31-Mar-22</b>	<b>-</b>
	31-Mar-21	146.02
Mr. C. S. Kashikar	<b>31-Mar-22</b>	<b>42.99</b>
	31-Mar-21	-
Mr. R. P. Dutta	<b>31-Mar-22</b>	<b>31.45</b>
	31-Mar-21	28.46

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 45: Related party disclosures (contd.)

Particulars	Year ended	Transaction during the year
<b>Sitting fees and directors remuneration</b>		
Mr. C.K.Birla	<b>31-Mar-22</b>	<b>7.00</b>
	31-Mar-21	5.00
Ms. Gauri Rasgotra	<b>31-Mar-22</b>	<b>8.00</b>
	31-Mar-21	10.00
Mr. Srinivasan Vishvanathan	<b>31-Mar-22</b>	<b>17.50</b>
	31-Mar-21	13.50
Mr. A. Bishnoi	<b>31-Mar-22</b>	<b>16.50</b>
	31-Mar-21	13.50
Mr. R. K. Agarwal	<b>31-Mar-22</b>	<b>17.00</b>
	31-Mar-21	13.00
<b>Total</b>	<b>31-Mar-22</b>	<b>908.68</b>
	31-Mar-21	877.83

#### Note:

- The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.
- Minimum remuneration as approved by the shareholders at their meeting held on 27th August 2021 and 9th November 2021 for the FY 2021-22 and 27th August 2020 for the FY 2020-21 has been paid to the Managing Director in view of inadequacy of profit.

#### (iii) Dividend paid

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Mr. C.K.Birla	8.51	17.03
Mr. Micheal Bastian	-	0.13
Mr. M.L. Pachisia	0.09	0.19
Mr. P.K.Sonthalia	0.04	0.08
	<b>8.64</b>	<b>17.43</b>

#### (iv) Outstanding balances - key managerial personnel

Particulars	As at	Amount owed by related parties	Amount owed to related parties
Remuneration payable			
Mr. M.L. Pachisia	<b>31-Mar-22</b>	<b>47.36</b>	-
	31-Mar-21	-	30.50

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 45: Related party disclosures (contd.)

#### c. Public Limited Company in which a director or manager is a director and holds along with his relatives, more than 2% percent of its paid up share capital

##### Transactions during the year

Particulars	Year ended	Purchases	Rent receipts
Orient Cement Limited	31-Mar-22	-	12.00
	31-Mar-21	-	12.00
Orient Electric Limited	31-Mar-22	8.59	12.00
	31-Mar-21	3.29	12.00
Total	31-Mar-22	8.59	24.00
	31-Mar-21	3.29	24.00

#### d. Relatives of member of board of directors /KMP

##### Dividend paid

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Ms. Nirjala Birla	9.02	18.03
Ms. Amita Birla	0.82	1.64
Ms. Avani Birla	0.33	0.65
Ms. Avanti Birla	0.34	0.67
	<b>10.51</b>	<b>20.99</b>

#### e. Post-employment employee benefit plans

##### Contribution to employees' benefit plans

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Birla Industries Provident Fund	265.59	242.68
Orient Paper & Industries Limited Employees Gratuity Fund	334.05	328.70
Orient Paper & Industries Limited Superannuation Fund	60.54	100.19
	<b>660.18</b>	<b>671.57</b>

##### Outstanding balances - Payables

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Birla Industries Provident Fund	113.27	108.29

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 45: Related party disclosures (contd.)

#### f. Other related entities

##### Transactions during the year

Particulars	Year ended	Sale of goods	Purchases	Professional and consultancy charges	Lease rent, Rates & Taxes, Maintenance & service charges	Rent, Dividend & Miscellaneous receipts	Dividend payment
Amer Investments (Delhi) Limited	31-Mar-22	-	-	-	-	-	3.56
	31-Mar-21	-	-	-	-	-	7.11
Ashok Investment Corporation Limited	31-Mar-22	-	-	-	-	-	1.71
	31-Mar-21	-	-	-	-	-	3.42
Birla Brothers Private Limited	31-Mar-22	-	-	-	0.07	-	-
	31-Mar-21	-	-	-	0.07	-	-
Birla Buildings Limited	31-Mar-22	-	-	-	148.63	1.63	-
	31-Mar-21	-	-	-	145.44	1.63	-
Bengal Rubber Company Limited	31-Mar-22	-	-	-	-	-	0.49
	31-Mar-21	-	-	-	-	-	0.98
C K Birla Corporate Services Limited	31-Mar-22	-	-	146.05	-	-	-
	31-Mar-21	-	-	151.86	-	-	-
GMMCO Limited	31-Mar-22	-	1.15	-	-	4.62	-
	31-Mar-21	-	4.36	-	-	2.02	-
Gwalior Finance Corporation Limited	31-Mar-22	-	-	-	-	-	4.12
	31-Mar-21	-	-	-	-	-	8.25
HIL Limited	31-Mar-22	-	2.51	-	55.97	407.86	-
	31-Mar-21	-	-	-	55.97	226.59	-
Hindustan Motors Limited	31-Mar-22	-	-	-	-	1.20	-
	31-Mar-21	-	-	-	-	1.20	-
Hindusthan Discounting Company Limited	31-Mar-22	-	-	-	-	-	5.78
	31-Mar-21	-	-	-	-	-	11.55
India Silica Magnesite Works Limited	31-Mar-22	-	-	-	-	-	0.50
	31-Mar-21	-	-	-	-	-	1.00
Jaipur Finance & Dairy Products Private Limited	31-Mar-22	-	-	-	-	-	0.52
	31-Mar-21	-	-	-	-	-	1.04



## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 45: Related party disclosures (contd.)

Particulars	Year ended	Sale of goods	Purchases	Professional and consultancy charges	Lease rent, Rates & Taxes, Maintenance & service charges	Rent, Dividend & Miscellaneous receipts	Dividend payment
Khaitan & Co. LLP.	<b>31-Mar-22</b>	-	-	<b>24.03</b>	-	-	-
	31-Mar-21	-	-	21.78	-	-	-
National Engineering Industries Limited	<b>31-Mar-22</b>	-	-	-	<b>24.14</b>	-	<b>1.34</b>
	31-Mar-21	-	-	-	35.25	-	2.69
Rajasthan Industries Limited	<b>31-Mar-22</b>	-	-	-	-	-	<b>1.73</b>
	31-Mar-21	-	-	-	-	-	3.45
Shekhavati Investment & traders Limited	<b>31-Mar-22</b>	-	-	-	-	-	<b>33.05</b>
	31-Mar-21	-	-	-	-	-	66.10
Soorya Vanijya & investment Limited	<b>31-Mar-22</b>	-	-	-	-	-	<b>0.01</b>
	31-Mar-21	-	-	-	-	-	0.02
Universal Trading Company Limited	<b>31-Mar-22</b>	-	-	-	-	-	<b>2.28</b>
	31-Mar-21	-	-	-	-	-	4.56
<b>Total</b>	<b>31-Mar-22</b>	-	<b>3.66</b>	<b>170.08</b>	<b>228.81</b>	<b>415.31</b>	<b>55.09</b>
	31-Mar-21	-	4.36	173.64	236.73	231.44	110.17

### Outstanding balances

Particulars	As at	Amount owed to related parties
Birla Buildings Limited (Trade Payable)	<b>31-Mar-22</b>	<b>29.83</b>
	31-Mar-21	27.82
C K Birla Corporate Services Limited (Trade Payable)	<b>31-Mar-22</b>	-
	31-Mar-21	56.31

### g. Terms and conditions of transactions with related parties

Transactions relating to dividend were on the same terms and conditions that applied to other shareholders. The sale to and purchases from related parties are made in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. No provisions are held against receivables from related parties. There are no loans outstanding with related parties.

h. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 29, 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 46: Employee benefits

#### (i) Compensated absences

The Company provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employees render the services that increases this entitlement.

The total provision recorded by the Company towards this obligation was Rs. 633.33 lacs (31st March 2021: Rs. 735.00 lacs). The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take full amount of accrued leave or require payment within the next twelve months. The following amounts reflect leave that is not expected to be taken or paid within the next twelve months.

Particulars	As at 31st March 2022	As at 31st March 2021
Leave provision not expected to be settled within the next twelve months	510.33	582.89

#### (ii) Post-employment defined benefit plan

##### Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The gratuity plan is administered and managed by the Trustees who are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deeds and rules in the best interests of the plan participants.

#### (a) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1st April 2020</b>	<b>4,296.87</b>	<b>(2,725.42)</b>	<b>1,571.45</b>
Current service cost	208.92	-	208.92
Interest expense/(income)	240.94	(157.63)	83.31
<b>Total amount recognised in profit or loss*</b>	<b>449.86</b>	<b>(157.63)</b>	<b>292.23</b>
Remeasurements			
Return on plan assets greater than discount rate	-	(530.68)	(530.68)
Actuarial loss from change in financial assumptions	129.54	-	129.54
<b>Total amount recognised in other comprehensive income</b>	<b>129.54</b>	<b>(530.68)</b>	<b>(401.14)</b>
Employer contributions	-	(328.70)	(328.70)
Benefits paid	(562.68)	525.38	(37.30)
<b>As at 31st March 2021</b>	<b>** 4,313.59</b>	<b>(3,217.05)</b>	<b>** 1,096.54</b>

\* includes Rs 61.78 lacs relating to contractual employees debited under other expenses.

\*\* includes Rs 481.87 lacs and Rs 614.68 lacs related to Funded plan and Unfunded plan respectively.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 46: Employee benefits (contd.)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1st April 2021</b>	<b>4,313.59</b>	<b>(3,217.05)</b>	<b>1,096.54</b>
Current service cost	221.14	-	221.14
Interest expense/(income)	250.63	(196.05)	54.58
<b>Total amount recognised in profit or loss*</b>	<b>471.77</b>	<b>(196.05)</b>	<b>275.72</b>
Remeasurements			
Return on plan assets greater than discount rate	-	(129.43)	(129.43)
Actuarial loss from unexpected experience	(95.33)	-	(95.33)
Actuarial gain from financial assumptions	(95.53)	-	(95.53)
<b>Total amount recognised in other comprehensive income</b>	<b>(190.86)</b>	<b>(129.43)</b>	<b>(320.29)</b>
Employer contributions	-	(334.05)	(334.05)
Benefits paid	(272.99)	233.19	(39.80)
<b>As at 31st March 2022</b>	<b>** 4,321.51</b>	<b>(3,643.39)</b>	<b>** 678.12</b>

\* includes Rs 63.13 lacs relating to contractual employees debited under other expenses.

\*\* includes Rs 60.87 lacs and Rs 617.25 lacs related to Funded plan and Unfunded plan respectively.

### (b) Net defined benefit asset/ (liability) recognised in the balance sheet

Particulars	Year ended	Year ended
	31st March 2022	31st March 2021
Fair value of plan assets	3,643.38	3,217.05
Present value of defined benefit obligation	4,321.50	4,313.59
<b>Amount recognised in Balance Sheet- Asset / (Liability)</b>	<b>(678.12)</b>	<b>(1,096.54)</b>
Current portion (refer note 25)	(45.43)	(364.56)
Non-current portion (refer note 20)	(632.69)	(731.98)

### (c) Net defined benefit expense (recognised in the Statement of profit and loss for the year)

Particulars	Year ended	Year ended
	31st March 2022	31st March 2021
Current service cost	221.14	208.92
Interest cost (net)	54.58	83.31
<b>Net defined benefit expense debited to statement of profit and loss</b>	<b>275.72</b>	<b>292.23</b>

### (d) Remeasurement (gain)/ loss recognised in other comprehensive income

Particulars	Year ended	Year ended
	31st March 2022	31st March 2021
Actuarial changes arising from changes in financial assumptions	(95.53)	-
Actuarial changes arising from changes in experience adjustments	(95.33)	129.54
Return on Plan assets excluding amounts included in net interest expense	(129.43)	(530.68)
<b>Recognised in other comprehensive income</b>	<b>(320.29)</b>	<b>(401.14)</b>

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 46: Employee benefits (contd.)

#### (e) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	As at	As at
	31st March 2022	31st March 2021
Discount rate	6.40%	6.00%
Salary growth rate	6.00% - 7.00%	6.00% - 7.00%
Withdrawal rate	Till age 45 years - 5.00%, Thereafter - 1.00%	Till age 45 years - 5.00%, Thereafter - 1.00%w
Mortality rate	Indian Assured Lives Mortality (2006 - 08) Ult.	Indian Assured Lives Mortality (2006 - 08) Ult.

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

#### (f) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation			
	As at		As at	
	31st March 2022		31st March 2021	
	Increase by	Decrease by	Increase by	Decrease by
Discount rate (-/+ 1%)	(220.00)	247.77	(236.06)	266.88
Salary growth rate (-/+ 1%)	244.29	(221.11)	262.08	(236.42)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

#### (g) The major categories of plan assets

The defined benefit plans are funded with insurance companies of India.

#### (h) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans in the next twelve months are Rs. 325.00 lacs (31st March 2021 - Rs. 330.00 lacs).

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 46: Employee benefits (contd.)

The weighted average duration of the defined benefit obligation is 5.5 years (31st March, 2021 - 6 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	Less than a year	Between 1 -2 years	Between 2 -5 years	Over 5 years	Total
31st March, 2022					
Defined benefit obligation (gratuity)	1,082.97	394.96	1,130.45	8,783.87	11,392.25
<b>Total</b>	<b>1,082.97</b>	<b>394.96</b>	<b>1,130.45</b>	<b>8,783.87</b>	<b>11,392.25</b>
31st March, 2021					
Defined benefit obligation (gratuity)	959.13	348.35	1,215.72	9,047.29	11,570.49
<b>Total</b>	<b>959.13</b>	<b>348.35</b>	<b>1,215.72</b>	<b>9,047.29</b>	<b>11,570.49</b>

### (iii) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

#### Investment risk:

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

#### Discount rate risk:

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

#### Demographic risk:

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

#### Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

### (iv) Provident fund

Provident fund for certain eligible employees is managed by the Company through the "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee. The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and there is no shortfall as at year-end. Return on plan asset and discount rate, as considered by the actuary, were 8.00% (31st March 2021: 8.25%) and 6.40% (31st March 2021: 6.00%) respectively.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 46: Employee benefits (contd.)

The Company contributed Rs.265.59 lacs and Rs. 242.68 lacs during the year ended 31st March 2022 and 31st March 2021 respectively to the above Provident Fund.

Further the Company is also contributing to the provident fund administered by Government of India for some of the employees as per regulations. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company contributed Rs. 206.07 lacs and Rs. 212.78 lacs during the year ended 31st March 2022 and 31st March 2021 respectively towards above defined contribution plan.

#### Disclosure relating to Hon'ble Supreme Court Of India

The Hon'ble Supreme Court of India in its judgement dated February 28, 2019 in the matter of Vivekananda Vidyamandir & Others vs The Regional Provident Fund Commissioner (II) West Bengal ('the Order') has laid down principles in relation to inclusion of allowances for determination of wages for the purposes of computing the provident fund contributions.

While further clarification on applicability and operation of the Order is awaited from the Provident Fund authorities, based on estimates by the management and legal advice, the impact of the Order is not expected to be material on the financial statements.

### (v) Superannuation fund

The Company operates a superannuation fund scheme with Life Insurance Corporation of India (LIC) for eligible employees for some of its employees towards which the Company contributes up to a maximum of 15% of the employees' basic salary, which is charged to the Statement of Profit and Loss.

The Company contributed Rs. 60.54 lacs and Rs. 100.19 lacs during the year ended 31st March 2022 and 31st March 2021 respectively towards above defined contribution plan of the Company.

### Note 47: Earnings per equity share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

#### Earnings per equity share

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>Profit after tax available to equity shareholders:</b>		
Profit for the year	(2,887.65)	(4,654.58)
	<b>No. in Lacs</b>	<b>No. in Lacs</b>
Number of equity shares at the beginning of the year	2,121.86	2,121.86
Number of equity shares issued during the year	-	-
Weighted average number of equity shares outstanding during the year	2,121.86	2,121.86
Basic and diluted earnings per equity share (Rs)	(1.36)	(2.19)

### Note 48: Impairment of Property, plant & equipment, Right - of- use assets, Intangible assets and Capital work- in- progress

Due to the uncertainty arising out of Covid 19, the management has estimated the recoverable amount of the Paper unit as a CGU which has been determined using the value-in-use method. The recoverable amount of the Paper unit was determined to be higher than the carrying amount and therefore, no provision for impairment was required to be recognised as at March 31, 2022. Key assumptions used in the determination of the recoverable amount includes the discount rate and the long-term revenue growth rate. Any future reduction in the long-term revenue growth rates or increase in the discount rates in future could result in the recoverable amount being lower than its carrying amount.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 49: Capital and other commitments

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 2,052.52 lacs (31st March 2021: Rs. 7,808.76 lacs).
- (b) For commitments relating to lease arrangements refer note 41(B).

### Note 50: Contingent liabilities

Particulars	As at	As at
	31st March 2022	31st March 2021
a) Demands/claims by various government authorities and others not acknowledged as debts and contested by the Company: (*)		
Excise duty	1,553.74	1,553.74
Sales tax	639.35	639.35
Water tax	35,136.74	27,653.32
Cess on captive power consumption	15,367.77	12,944.64
Krishi Upaj Mandi fees	1,229.51	1,229.51
Income - Tax	-	18.27
Others (includes Rs.2,407.00 lacs as mentioned in note (d) below)	5,298.29	5,260.02
	<b>59,225.40</b>	<b>49,298.85</b>
<b>Against the above, payments have been made under protest and/ or debts have been withheld by respective parties.</b>	<b>665.13</b>	<b>617.51</b>

- (\*) Based on discussions with the solicitors/ favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision has considered necessary.
- b) Outstanding claims from employees not acknowledged as debts, including Bonus claims under adjudication and wages for suspension period at Brajrajnagar Unit. Amount unascertainable
- c) In October 1963, the paper division of the Company had applied to the Public Work Department (Irrigation) of the Madhya Pradesh State Government for drawing water without any charge from Sone River up to 1165 Million Cubic Feet (MCF) with the provision for increase up to 2500 MCF on full development of paper mill, the permission for which was granted by the State Government. In August 2000, the Madhya Pradesh State Government issued a notification and decided to levy charges on water consumption from river resources for industrial purposes with retrospective effect from June, 1998, the constitutional validity of which was challenged by the Company by way of a writ petition in the High Court of Madhya Pradesh. During the pendency of the said writ petition, the Water Resource Department (WRD) of the State Government started raising the bill for consumption of water on the basis of assumption of total quantum of water allowed to be drawn by the Company at 2500 MCF whereas, as per the Company, the quantum of water allowed to be drawn was 1165 MCF and the Company had never drawn the water even up to the initial quantity of 1165 MCF since it had not attained full development of the paper mill. One of the major reasons for not being able to achieve full development was frequent and perennial shortage of water. Based on an interim order passed by the Madhya Pradesh High Court in the aforesaid writ petition, the Company started paying water charges based on actual consumption of water (less than 1165 MCF), while the WRD of the State Government continued to raise bills on the basis of assumed consumption of 2500 MCF plus interest and penalty thereon. In January 2009, the High Court of Madhya Pradesh upheld the constitutional validity of August 2000 notification. After the aforesaid judgement, the Company paid Rs 908.47 lacs being the difference amount between the assumed quantity of 1165 MCF and the actual consumption, while the WRD of the State Government continued to raise the bills on the basis of assumed quantity of water consumption of 2500 MCF till April 2009, when the Company entered

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 50: Contingent liabilities (contd.)

into a new agreement with the WRD of the State Government for water consumption of only 440 MCF effective from May 2009. The total balance demand for the aforesaid period amounts to Rs 1,42,705.64 lacs (31st March 2021: Rs 1,26,602.89 lacs) [including interest and penalty of Rs 1,41,292.71 lacs (31st March 2021: Rs 1,25,189.96 lacs)] as at 31st March 2022, for which no provision has been made in the books. The WRD of the State Government issued a notice for recovery of aforesaid demand in February 2015, against which the Company filed a writ petition in the Madhya Pradesh High Court and obtained an interim stay on the recovery. Also, Madhya Pradesh High Court has set aside demand for penal interest in a similar case for another Company.

On 11 July 2020, the WRD has given a letter asking for consent on their offer of one-time settlement at Rs 79,150 lacs and withdrawal of Writ petition from the High Court for which the Company has not given any consent. The Company has been legally advised that it has a fit case for quashing the present demand."

- d) (i) The Company's Paper plant and Caustic Soda plant at Amlai were having individual factory license till 2011. The Company had applied for common factory license for both the plants enabling to supply Power to Caustic Soda plant from Paper plant. Simultaneously, it had filed a petition with Madhya Pradesh Electricity Regulatory Commission (MPERC) for direction on the action if common factory license was granted. On 11th May, 2012 the MPERC has directed Company to keep any one connection and surrender the other one. Accordingly, the Company had surrendered its Paper plant connection keeping the Caustic Soda plant connection. However, the Madhya Pradesh Poorv Khestra Vidyut Vitran Company Limited (MPPKVVCL) has interpreted the order otherwise and had considered the connection which was retained by Company as unauthorized one. They had issued final order dated 16-06-2012 under Section 126 (3) of Electricity Act 2003 levying Rs 1,287 lacs as electricity charges from 17-04-2012 (Date of issuance of Common Factory license) applying penal rate. The Company had filed an application with MPERC for clarification on direction dated 11th May 2012. The MPERC vide its order dated 4-08-2012 held that it has given option to the Company to keep any one of the two connection surrendering the second one. They had written in their Order that the order of the MPERC dated 11-05-2012 has been completely mis construed by the MPPKVVCL and by a convoluted logic raised claim of unauthorized use of electricity. They had directed respondent to regularize the connection per Company's application and submit compliance within a month. The MPPKVVCL has signed a supplementary HT agreement dated 09-11-2012 effective from 17-04-2012 regularizing the connections as per direction of the Commission. However, the Company has filed an appeal with Appellate Authority District Shahdol for quashing the order dated 16-06-2012 of MPPKVVCL citing (i) Clarification order of MPERC dated 04-08-2012 and (ii) subsequently regularization of connection by MPPKVVCL by signing supplementary HT Agreement.
- (ii) Similarly, on 21-12-2011, a vigilance team of MPPKVVCL visited its Paper plant at Amlai for inspection of the usages of Power supplied by them. During their visit, they had observed that Company was erecting a captive Power plant and operating from time to time water pumps for drawing water from river Sone for its factory use. They had considered these uses as unauthorized load of 850 KvA from Power supplied by MPPKVVCL and issued a final order dated 21-08-2012 assessing a demand of Rs 155 lacs. The Company had filed an appeal against this order with the Appellate Authority District Shahdol for quashing the order citing that (i) it is used for production of Paper for which connection was granted, (ii) that the power used for the alleged activity is from its own power generating plant.
- However, the Appellate authority has decided both the cases against the Company vide its orders dated 29-11-2019 and the Company has received demand letter No AA/SS/O6/HT/1368 dated 09-12-2019 demanding Rs. 2,172 lacs. against order in case No 02/12-13 and Rs 235 lacs against order in case No 03/12-13 for unauthorized use of power making total demand of Rs 2,407 lacs.
- The Company has filed an appeal in MP High Court against both the orders vide WP No 28342/ 2019 and WP No 28354 / 2019 and requested for relief against the demand. The Hon'ble MP High Court vide

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 50: Contingent liabilities (contd.)

its order dated 21.01.2020 had passed an interim order in favour of the Company thereby restraining the respondents from taking any further coercive action against the Company. Matters are still at the stage of completion of pleadings because the respondents have not yet submitted any replies or affidavits in the case. Further, the Company has been legally advised by its lawyer that these cases are fit cases for quashing the present demand, therefore, has not provided any liability in its books of accounts.

- e) In respect of above contingent liabilities, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of above.

### Note 51 :

The Company has made an assessment of the impact of the continuing Covid-19 pandemic on its current and future operations, liquidity position and cash flows giving due consideration to the internal and external factors. The Company is continuously monitoring the situation and does not foresee any significant continuing impact on its operations and the financial position as at 31st March 2022. However, considering the unpredictability and inherent uncertainty of the potential future impact of the COVID 19 pandemic, the Company's financial statements may differ from that estimated as on the date of approval of these financial statements.

### Note 52:

#### Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Particulars	As at 31st March 2022	As at 31st March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	390.29	232.22
Interest due on above	2.10	1.39
	<b>392.39</b>	<b>233.61</b>
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
Principal	293.01	89.06
Interest	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006		
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.71	0.48
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	1.39	0.92

The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.

## Notes to financial statements as at and for the year ended 31st March 2022

### Note 53: Analytical Ratios

(All amounts in Rupees lacs, unless otherwise stated)

Sl. No.	Particulars	Numerator		Denominator		Numerator		Denominator		% Change	Remarks
		As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021		
(a)	Current Ratio (times)	13,193	13,138	Current Liabilities	18,171	0.46	0.72	(36.04)%	Refer Note No.19 (b) due to consideration of non current borrowing in current borrowing		
(b)	Debt-Equity Ratio (times)	21,005	8,820	Shareholder's Equity	1,46,800	0.14	0.06	125.13%	Due to increase in borrowings		
(c)	Debt Service Coverage Ratio (times)	750	(756)	Average debt service	1,182	0.48	(0.64)	174.98%	Due to reduction in losses		
(d)	Return On Equity (%)	(2,888)	(4,655)	Average shareholder's equity	1,36,535	(1.91)%	(3.41)%	43.92%	Due to reduction in losses		
(e)	Inventory / Turnover (times)	58,565	44,336	Average inventory	7,333	8.62	6.05	42.60%	Due to better performance		
(f)	Trade Receivable / Turnover (times)	58,565	44,336	Average Trade Receivable	2,337	25.06	17.39	44.10%	Due to better realisation		
(g)	Trade Payable / Turnover (times)	59,792	46,639	Average Trade Payable	8,973	6.66	4.96	34.31%	Due to higher payment		
(h)	Net Capital Turnover (times)	58,565	44,336	Average Working Capital	(10,184)	(5.75)	(10.17)	43.43%	Due to higher turnover		
(i)	Net Profit Ratio (%)	(2,888)	(4,655)	Total revenue from operations	58,565	(4.93)%	(10.50)%	53.03%	Due to better performance		
(j)	Return on Capital Employed (%)	(3,894)	(5,616)	Capital Employed	2,01,836	(1.93)%	(3.11)%	37.92%	Due to better performance		
(k)	Return On Investment	(3,894)	(5,616)	Total Assets	2,17,252	(1.79)%	(2.86)%	37.44%	Due to better performance		

#### Note :

- Total Debt = Borrowings + Lease liabilities
- Shareholder's Equity = Total Equity
- Earnings available for debt service = Net Profit after taxes + Depreciation + Finance costs + Loss/(gain) on sale/discard of property, plant and equipment (net) + Provision for doubtful debts and advances+Bad debts / advances written off (net of reversals)
- Debt service = Interest and Lease Payments + Principal Repayments
- Cost of Goods Sold = Cost of materials consumed + Changes in inventories of finished goods, work-in-progress and stock-in-trade
- Total Purchases = Purchases of Raw Materials + Employee Benefit Expenses + Purchases of Stock in Trade + Other Expenses - (Rates and taxes +CSR expenditure + Directors' sitting fees + Bad debts / advances written off (net of reversals) + Provision for doubtful debts and advances + Loss on disposal of property, plant & equipment (net))
- Working Capital = Current Assets - Current Liabilities
- Earnings before interest and Tax = Net Profit after taxes + Finance costs
- Capital Employed = Total Equity + Borrowings + Lease liabilities + Deferred Tax Liability - Intangible Assets

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 54 :

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts for year ended 31st March 2022 and 31st March 2021, except as disclosed below:

Quarter ended	Name of Bank	Particulars	Amount as reported per books of account	Amount as reported in the quarterly return/ statement	Reason for material discrepancies
June 30, 2020	Working Capital Lenders*	Inventories	7054	7,040	(14) Unreconciled Difference
June 30, 2020	Working Capital Lenders*	Other Current Assets	3,377	4,607	1,230 Unreconciled Difference
June 30, 2020	Working Capital Lenders*	Sundry Creditors	10,095	7,830	(2,265) Unreconciled Difference
June 30, 2020	Working Capital Lenders*	Other Current Liabilities	5,557	7,429	1,872 Unreconciled Difference
September 30, 2020	Working Capital Lenders*	Sundry Creditors	11,437	9,631	(1,806) Unreconciled Difference
September 30, 2020	Working Capital Lenders*	Other Current Liabilities	5,656	6,954	1,298 Unreconciled Difference
December 31, 2020	Working Capital Lenders*	Sundry Creditors	10,899	8,233	(2,666) Unreconciled Difference
December 31, 2020	Working Capital Lenders*	Other Current Liabilities	5,865	8,027	2,162 Unreconciled Difference
March 31, 2021	Working Capital Lenders*	Other Current Assets	3,775	3,838	63 Unreconciled Difference
March 31, 2021	Working Capital Lenders*	Sundry Creditors	8,995	8,681	(314) Unreconciled Difference
March 31, 2021	Working Capital Lenders*	Other Current Liabilities	5,894	5,752	(142) Unreconciled Difference
June 30, 2021	Working Capital Lenders*	Other Current Assets	3,532	3,612	80 Unreconciled Difference
June 30, 2021	Working Capital Lenders*	Sundry Creditors	9,177	8,861	(316) Unreconciled Difference
June 30, 2021	Working Capital Lenders*	Other Current Liabilities	7,068	6,914	(154) Unreconciled Difference
September 30, 2021	Working Capital Lenders*	Other Current Assets	3,535	3,601	66 Unreconciled Difference
September 30, 2021	Working Capital Lenders*	Bank Borrowings for WC	5,370	4,632	(738) Unreconciled Difference
September 30, 2021	Working Capital Lenders*	Sundry Creditors	9,998	7,071	(2,927) Unreconciled Difference
September 30, 2021	Working Capital Lenders*	Other Current Liabilities	5,887	8,342	2,455 Unreconciled Difference
December 31, 2021	Working Capital Lenders*	Other Current Assets	3,545	3,626	81 Unreconciled Difference
December 31, 2021	Working Capital Lenders*	Bank Borrowings for WC	7,116	5,754	(1,362) Unreconciled Difference
December 31, 2021	Working Capital Lenders*	Sundry Creditors	10,183	7,481	(2,702) Unreconciled Difference
December 31, 2021	Working Capital Lenders*	Other Current Liabilities	6,268	7,223	955 Unreconciled Difference
March 31, 2022	Working Capital Lenders*	Sundry Creditors	8,950	5,869	(3,081) Unreconciled Difference
March 31, 2022	Working Capital Lenders*	Other Current Liabilities	5,816	8,896	3,080 Unreconciled Difference

\* State Bank of India, HDFC Bank Limited, Indusind Bank Limited and Standard Chartered Bank are represented as Working Capital Lenders

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 55:

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period, except as given below:

Name of the Financial Institutions	Amount of Security (Rs. in Lacs)	Date of Charge creation by Bank	Charge registered with ROC	Due date for Charge Registration	Delay by (days)	Reason
Bajaj Finance Limited	5,000.00	28/03/22	19/05/22	27/04/22	22	Inadvertently delay in filing process

### Note 56:

(a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) No funds have been received by the Company from any person(s) or entity(ies), 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.

### Note 57:

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

### Note 58:

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

### Note 59:

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

## Notes to financial statements as at and for the year ended 31st March 2022

(All amounts in Rupees lacs, unless otherwise stated)

### Note 60:

The Company has not made any investments during the year. The Company has not granted secured/ unsecured loans/advances in nature of loans to any Company / Firm / Limited Liability Partnership / Other Party during the year other than loan to 95 employees. The Company did not stand guarantee, or provided security to any company / Firm / Limited Liability Partnership/ Other Party. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to employee is as per the table given below:

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Others	-	-	17.22	-
Balance outstanding as a balance sheet date in respect of the above case				
- Others	-	-	7.30	-

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

Chartered Accountants  
**Avijit Mukerji**  
Partner  
Membership No.: 056155

Place: Kolkata  
Date: 29th May 2022

For and on behalf of the Board of Directors of  
**Orient Paper & Industries Limited**

**C.K.Birla**  
Chairman  
(DIN 00118473)  
Place : New York

**Ashwin J. Laddha**  
Managing Director & CEO  
(DIN 09538310)  
Place : Amlai

**P.K.Sonthalia**  
President Finance & CFO  
(PAN ALQPS6822D)  
Place : Kolkata  
Date: 29th May 2022

**R.P.Dutta**  
Company Secretary  
(M.NO. A14337)  
Place : Kolkata



**ORIENT**  
PAPER

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