



# WEST COAST PAPER MILLS LTD.,

Registered & Works Office : Post Box No. 5, Bangur Nagar, Dandeli-581 325

Dist Uttar Kannada (Karnataka) - India

CORPORATE IDENTITY NO : L02101KA1955PLC001936 website : www.westcoastpaper.com

Ph : (08284) 231391 - 395 (5 lines) Fax : 08284-231225 (Admn. Office) 230443 (Works Office)  
GSTN:28AAACT4179N1ZO



ZZO:SHARE:08:

August 31, 2021

To:

BSE Limited  
Corporate Services  
Floor 25, P.J.Towers,  
Dalal Street  
**MUMBAI – 400 001**

To:

National Stock Exchange of India Limited  
Listing Department  
Exchange Plaza  
Bandra-Kurla Complex,  
Bandra [East]  
**MUMBAI-400 051**

Dear Sirs,

**SCRIP CODE: BSE-500444/NSE-WSTCSTPAPR**

**Sub : Annual Report – 2020-21 & Notice of Annual General Meeting to  
be held on September 22, 2021 through Video Conference.**

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith copy of Annual Report 2020-21 and Notice dated June 24, 2021 of Annual General Meeting (AGM) to be held on **September 22, 2021 at 11:30 A.M. through Video Conference.**

Please take the same on record.

Thanking you,

Yours faithfully,  
For WEST COAST PAPER MILLS LTD.

BRAJMOHAN PRASAD  
COMPANY SECRETARY  
M.NO.F7492

Encl: a.a.



Corporate Office : 31, Chowringhee Road, Kolkata - 700 016  
Phone : (033) 2265 6271-78 (8 lines), Fax : (033) 2226 5242,  
Email : wcpm.sale@westcoastpaper.com



## WEST COAST PAPER MILLS LIMITED

Regd. Office: P B No 5, Bangur Nagar, Dandeli - 581 325, Uttara Kannada, Karnataka  
CIN: L02101KA1955PLC001936, GSTN: 29AAACT4179N1ZO, Phone: (08284) 231391-395 (5 Lines),  
Fax: (08284) 231225, E-mail: co.sec@westcoastpaper.com, Website: www.westcoastpaper.com

### NOTICE

**NOTICE** is hereby given that the 66<sup>th</sup> Annual General Meeting of the Members of **WEST COAST PAPER MILLS LIMITED** will be held through Video Conferencing ("**VC**")/ Other Audio-Visual Means ("**OAVM**") on Wednesday, the **22<sup>nd</sup> September, 2021, at 11.30 A.M.** to transact the following business:

#### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements (Standalone and Consolidated) for the year ended March 31, 2021 including the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Share for the financial year ended on March 31, 2021.
3. To appoint a Director in place of Smt. Shashi Bangur (DIN:00053300), who retires by rotation under the Articles of Association of the Company and being eligible, offers herself for re-appointment.

#### **SPECIAL BUSINESS:**

4. **Appointment of Shri Umesh Kini (M.No.29159), Cost Accountant, Sirsi as Cost Auditor of the Company and ratification of Remuneration**

To consider and if thought fit, to pass, with or without modifications, the following as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 148(3) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendation of the Audit Committee, the remuneration of Rs. 1,20,000/- as approved by the Board of Directors of the Company be paid to Shri Umesh Kini (M.No.29159), Cost Auditor, Sirsi, to conduct the audit of the cost accounts maintained by the Company, for the financial year ending March 31, 2022, be and is hereby ratified."

**"RESOLVED FURTHER THAT**, the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

5. **Re-Appointment of Shri Sudarshan Somani (DIN:00137568) as an Independent Director of the Company**

To consider and if thought fit, to pass, with or without modifications, the following resolution as **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("**the Act**") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**"), Shri Sudarshan Somani (DIN:00137568) who was appointed as an Independent Director of the Company w.e.f. November 10, 2017 to November 09, 2020 and who is eligible for being re-appointed as an Independent Director and who meets the criteria for independence as provided under Section 149(6) of the Act along with the rules framed there under and Regulations 16(1) of the SEBI LODR and who has submitted the declaration to the effect and in respect of whom the Company has received a notice in writing under Section 160 of the Act, the consent of the members of the Company be and is hereby accorded for the re-appointment of Shri Sudarshan Somani (DIN:00137568) as an Independent Director of the Company, not liable to retire by rotation and to hold office for further period of 3 consecutive years with effect from November 10, 2020 to November 09, 2023."

**"RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

6. **Appointment of Shri Shiv Ratan Goenka (DIN:00225734) as an Independent Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (**"the Act"**) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and 25 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, (**"SEBI LODR"**), Shri Shiv Ratan Goenka (DIN:00225734) was appointed as an Additional Director of the Company w.e.f., January 29, 2021 under the provisions of Section 161 of the Act, and qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for three consecutive years with effect from January 29, 2021 to January 28, 2024."

**"RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

7. **Re-appointment of Shri. S. K. Bangur (DIN: 00053237) as Chairman & Managing Director of the Company**

To consider and if thought fit, to pass, with or without modifications, the following as **Special Resolution:**

**"RESOLVED THAT**, pursuant to Sections 152, 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Re-appointment of Shri. S. K. Bangur (DIN: 00053237) as Chairman & Managing Director of the Company, who has attained the age of 70 years, for a further period of five years with effect from May 01, 2021, on the justification, terms/conditions and remuneration as set out in the Explanatory Statement annexed to the Notice."

**"RESOLVED FURTHER THAT** pursuant to the provisions of Regulations 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR"**), consent of the members of the Company be and is hereby accorded for payment of annual remuneration including commission on net profits, exceeding Rs. 5 Crores, up to 5 per cent of the net profits of the Company to Shri S. K. Bangur (DIN: 00053237) Chairman & Managing Director of the Company, till his existing term/tenure ending on April 30, 2026, subject to other terms and conditions as set out in the Explanatory Statement annexed to the Notice."

**"RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profit in any financial year, during the currency of tenure of Shri S.K. Bangur (DIN: 00053237) as Chairman & Managing Director, he shall be paid remuneration as specified under Section II A of Part II of Schedule V of the Act, or within such ceilings as may be prescribed from time to time as minimum remuneration notwithstanding the absence or inadequacy of profit in any year."

**"RESOLVED FURTHER THAT** the Board of Directors or a duly constituted Committee thereof be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

8. **Re-Appointment of Shri Rajendra Jain (DIN: 07250797) as Executive Director of the Company**

To consider and if thought fit, to pass, with or without modifications, the following resolution as **Special Resolution:**

**"RESOLVED THAT** pursuant to Section 152, 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the re-appointment of Shri Rajendra Jain (DIN:07250797), who is liable to retire by rotation, as Executive Director of the Company for a further period of 3 (three) years with effect from July 31, 2021 on the terms and conditions and remuneration as set out in the Explanatory Statement annexed to the Notice."

**"RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profit in any financial year, during the currency

of tenure of Shri Rajendra Jain (DIN: 07250797) as Executive Director of the Company, he shall be paid remuneration as specified under Section IIB of Part II of Schedule V of the Act, or within such ceiling as may be prescribed from time to time as minimum remuneration notwithstanding the absence or inadequacy of profit in the year."

**"RESOLVED FURTHER THAT** the Board of Directors or a duly constituted Committee thereof be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board

**Brajmohan Prasad**

Company Secretary

M.No. F7492

Place: Dandeli

Date: 24th June, 2021

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#### NOTES:

- 1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act"), in respect of businesses to be transacted at the Annual General Meeting ("AGM"), as set out under Item No(s). 4 to 8 above and the relevant details of the Directors as mentioned under Item No(s). 5, 6, 7 and 8 above as required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("**SEBI LODR**") and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
- 2) In view of the continuing lockdown, social distancing norms and restrictions on movement of persons at several places in the country, due to outbreak of COVID 19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/ 2020 dated 8th April, 2020 and 17/ 2020 dated 13th April, 2020, followed by General Circular No. 20/2020 dated 5th May, 2020 and General Circular No. 02/2021 dated 13th January, 2021, with other applicable Circulars issued by the MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 12th May 2020 and 15th January 2021 respectively issued by the Securities and Exchange Board of India (SEBI) in this regard has permitted the Companies:
  - (i) to send the annual reports to shareholders only on e-mail who have registered their e-mail ID with the Company/ Depositories;
  - (ii) to hold Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") during the calendar year 2021; and
  - (iii) to keep the dividend on hold for those shareholders who have not provided details of their bank accounts for electronic payment and dispatch their cheque /demand draft upon normalization of the postal services.
- 3) The Company will hold the AGM through VC/OAVM facility without physical presence of the members. The necessary details for joining the meeting are given at **Annexure-I**.
- 4) 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.
- 5) The meeting shall be deemed to be conducted at the Registered office of the Company.
- 6) Remote e-Voting period will commence on **19th September 2021 at 9.00 AM and ends on 21st September, 2021 at 5.00 PM**. Thereafter e-voting module shall be disabled for voting by Link Intime India Pvt. Ltd. voting right will be reckoned on the paid-up value of share registered in the name of members on **16th September, 2021 (Cut Off Date)**.
- 7) Pursuant to Section 101 and Section 136 of the Act read with relevant Rules made there under, Annual Report and Notice of AGM is being sent through e-mail to members who have registered e-mail ID with the Company / Depositories. The members who have not registered their e-mail ID with the Company can access the Annual Report on the website of the Company [www.westcoastpaper.com](http://www.westcoastpaper.com). Members who would like to obtain pdf copy on their e-mail ID may write an e-mail to [co.sec@westcoastpaper.com](mailto:co.sec@westcoastpaper.com). Pursuant to the Circulars mentioned above, the Company has not printed the Annual Reports and hence no hard copies of the Annual Report will be provided.

- 8) Members may note that the Notice of AGM and Annual Report for the financial year 2020-21 will also be available on the Company's website [www.westcoastpaper.com](http://www.westcoastpaper.com), websites of the Stock Exchanges i.e. [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).
- 9) Pursuant to Section 113 of the Act, corporate members are requested to send a duly certified copy of the Board resolution authorizing their representative to attend at the AGM and e-voting, by e-mail before e-voting/ attending AGM, to [co.sec@westcoastpaper.com](mailto:co.sec@westcoastpaper.com).
- 10) The members who are holding shares in physical form and who have not registered their e-mail ID with the Company, can write to **[evoting.investors@linkintime.co.in](mailto:evoting.investors@linkintime.co.in)** by providing their name and folio number and obtain default PAN (if PAN is not registered with the Company) for the purpose e-voting and exercise their vote either through remote e-voting or vote electronically during the AGM. The credentials will be provided to the members after verification of all details.
- 11) As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, members holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in demat form, the nomination form may be filed with the respective DP.
- 12) All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays and holidays, between 10:00 Hrs. and 12:00 Hrs. up to the date of the Annual General Meeting and these documents shall be uploaded on the platform of AGM with adequate security feature enabled so as to disallow members from taking copies of such documents
- 13) The Register of Members and the Share Transfer Books will remain closed from **17th September, 2021 to 22nd September, 2021** (both the days inclusive).
- 14) The dividend on equity shares as recommended by the Board of Directors, if declared at the meeting, will be paid, on or after **27th September, 2021** to those shareholders whose names appear in the Register of Members on **22nd September, 2021**. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership at the close of business hours on **16th September, 2021**, based on the details to be furnished by National Securities Depository Limited and Central Depository Services(India) Limited, for this purpose.

Payment of Dividend is subject to deduction of income-tax at source in accordance with the provisions of Income Tax Act, 1961 and rules made thereunder w.e.f., April 01, 2020. Shareholders who are not liable to pay income tax are requested to download the applicable Tax Exemption Forms from <https://www.linkintime.co.in/client-downloads.html> and upload the said Forms/documents duly completed and signed on URL: <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> or email at [wcpdivtax@linkintime.co.in](mailto:wcpdivtax@linkintime.co.in), if unable to upload/email send the hard copy to Link Intime India Pvt. Ltd.(RTA of the Company) on or before 11th September, 2021.

- 15) In compliance with the SEBI circular, the Company has assigned all the work related to share registry in terms of both physical and electronic to –

Link Intime India Pvt.Ltd.,  
(Unit: West Coast Paper Mills Ltd.)  
C-101, 247 Park  
LBS Marg, Vikhroli (West)  
MUMBAI-400 083.  
Ph: (022) 49186000; Fax: (022) 49186060;  
**E-mail: [rnthelpdesk@linkintime.co.in](mailto:rnthelpdesk@linkintime.co.in)**

All the members are requested to send/deliver their documents/correspondence relating to the Company's Share Transfer/Demat/Remat requests to the above Registrar and Share Transfer Agent. Members holding shares in physical form are requested to notify promptly any change in their address, to the Registrar and Share Transfer Agent.

- (i) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their bank mandates immediately to the Link Intime India Pvt. Ltd.

- (ii) With a view to provide protection against fraudulent encashment of dividend warrants, the members were requested in the past to provide their bank account number, name of the bank, IFSC code and address of the branch to enable the Company to incorporate the said details in the dividend warrants. Those members who are holding shares in physical form and who have not yet furnished such information are again requested to furnish these details quoting their folio numbers to reach the Registrar and Share Transfer Agent, at the address given above.
- (iii) Members holding shares in electronic form may give instructions regarding change/deletion in bank details to their Depository Participants only.
- (iv) Members are requested to register their Permanent Account Number (PAN), E-mail ID and Mobile number with their Depository Participants, in case shares are held in dematerialized form.  
Shareholders holding shares in physical form are requested to register their Permanent Account Number (PAN), E-mail ID, Mobile number and Bank Account details on Web portal Link [https://web.linkintime.co.in/EmailReg/Email\\_Register.html](https://web.linkintime.co.in/EmailReg/Email_Register.html) or send the hard copy to Link Intime India Pvt. Ltd. (RTA of the Company) before 11th September, 2021.
- (v) Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent.
- 16) Pursuant to the provisions of Section 124 of the Act the amount of dividend remaining unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund. Thereafter, members shall not be able to register their claim in respect of their un-encashed dividends with the Company. Further, pursuant to Section 124(6) of the Act shares in respect of which dividend has not been paid or claimed for 7 consecutive years or more shall be transferred to Investor Education and Protection Fund. Members who have not yet encashed their dividend warrants for the financial year ended on March 31, 2014 and onwards are advised to make their claims to the Company, without any delay.
- 17) The Unclaimed dividend for the year ended on March 31, 2014 will be transferred to the Investor Education and Protection Fund in terms of the provisions of Section 124 of the Act, in the month of September 2021. The details of the unpaid/unclaimed amounts lying in the Company as on 31st March, 2021 are available on the website of the Company [www.westcoastpaper.com](http://www.westcoastpaper.com) and on Ministry of Corporate Affairs website. The Shareholders whose dividends/shares as transferred to the IEPF Authority can now claim their dividends/shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority.
- 18) Once vote on a resolution is cast through remote E-voting, by a member, the member shall not be allowed to subsequently change it. A member may participate in the AGM through VC/OAVM, even after exercising his right to vote through remote E-voting, but shall not be allowed to vote again at the AGM.
- 19) Shri Naman Gurumurthi Joshi (Membership No. F8389), Company Secretaries, N.G.Joshi & Co., has been appointed as the Scrutinizer to scrutinize the E-voting, in a fair and transparent manner. The Scrutinizer shall after the conclusion of voting at the general meeting, will unblock the votes cast through remote E-voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 20) Instructions and other information relating to remote E-voting: **Annexure-I** appended herewith.
- 21) The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.westcoastpaper.com](http://www.westcoastpaper.com) and on the website of Link Intime India Pvt. Ltd., immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and the National Stock Exchange of India Limited, Mumbai.
- 22) The brief profile of the Director retiring by rotation and being eligible, seeking re-appointment at the AGM pursuant to Regulation 36(3) of SEBI LODR and applicable Secretarial Standards 2 issued by the Institute of Company Secretaries of India is provided as 'Exhibit A'.

By Order of the Board

**Brajmohan Prasad**  
Company Secretary  
M.No. F7492

Place: Dandeli  
Date: 24th June, 2021

## ANNEXURE TO THE NOTICE

### STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

#### Item No.4

On the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 24th June, 2021 have approved the appointment of Shri Umesh Kini (M.No.29159), Cost Accountant, Sirsi, as the Cost Auditor of the Company to conduct the audit of the cost accounts maintained by the Company, for the year ended on 31st March, 2022 at a remuneration of Rs. 1,20,000/- in terms of provisions of Section 148 of the Companies At, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, subject to ratification by the Members.

The Board has recommended the Resolution as set out at Item No.4 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at Item No.4 of the Notice.

#### Item No. 5

It is required under Section 149(4) of the Companies Act, 2013 ("the Act") to appoint Independent Directors and maximum tenure as per Section 149(10) of the Act is upto 5 consecutive years, but shall be eligible for re-appointment on passing of a special resolution by the Company for another term upto 5 consecutive years.

Shri Sudarshan Somani (DIN:00137568) was appointed as Independent Director to hold office for 3 (three) consecutive years not liable to retire by rotation with effect from November 10, 2017 the said term was completed on November 09, 2020 and Board of Directors vide Resolution by Circular dated October 20, 2020, on the basis of report of performance evaluation have re-appointed as an Independent Director of the Company not liable to retire by rotation and to continue to hold office for further period of 3 (three) consecutive years w.e.f., November 10, 2020 subject to approval of members of the Company at the Annual General Meeting.

The Company has received declaration from Shri Sudarshan Somani (DIN:00137568), that, he is not disqualified to become a director and also consented to hold the office of Director.

The Board considered the re-appointment of Shri Sudarshan Somani (DIN:00137568) in view of his skill, vast experience and knowledge, which would be of immense benefit to the Company and it is desirable to avail his services as Independent Director.

In the opinion of the Board, Shri Sudarshan Somani(DIN:00137568) fulfills the conditions specified in the Act and Rules made thereunder and the proposed director is Independent of the Management.

The brief profile of Shri Sudarshan Somani (DIN:00137568), as required under Regulation 36(3) of SEBI LODR, is provided as '**Exhibit A**' to this Notice.

Shri Sudarshan Somani(DIN:00137568) is interested in the resolutions set out at Item No.5 of the Notice with regard to his re-appointment, and relatives of the said Director may be deemed to be interested in the said resolution to the extent of their shareholdings, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or Relatives of Director and Key Managerial Personnel are in any way concerned or interested in the said resolution.

Letter of appointment of Shri Sudarshan Somani (DIN:00137568) setting out the terms and conditions is available for inspection by the members at the Registered Office of the Company.

The Board of Directors recommended the resolution as set out at Item No.5 of this Notice for your approval.

#### Item No.6

It is required under Section 149(4) of the Companies Act, 2013 ("the Act") to appoint Independent Directors and maximum tenure as per Section 149(10) of the Act is upto 5 consecutive years, Shri Shiv Ratan Goenka (DIN:00225734) is appointed as an Additional Director with effect from January 29, 2021 under Section 161 of the Act.

It is proposed in view of vast professional experience to appoint Shri Shiv Ratan Goenka (DIN:00225734) as Independent Director under Section 149 of the Act to hold office for 3 consecutive years not liable to retire by rotation with effect from January 29, 2021. The Company has received notice in writing from member proposing the candidature of Shri Shiv Ratan Goenka (DIN:00225734) for the office of Independent Director under the provisions of Section 160 of the Act.

The Company has received declaration from Shri Shiv Ratan Goenka(DIN:00225734), that he is not disqualified to become a director and also consented to hold the office as Director.

Your directors feel that, continued appointment/association of Shri Shiv Ratan Goenka (DIN:00225734), in view of his skill, vast experience and knowledge would be of immense benefit to the Company and it is desirable to avail his services as Independent Director.

In the opinion of the Board, Shri Shiv Ratan Goenka (DIN:00225734) fulfills the conditions specified in the Act and Rules made thereunder and the proposed director is Independent of the Management.

The brief profile of Shri Shiv Ratan Goenka (DIN:00225734), as required under Regulation 36(3) of SEBI LODR, is provided as '**Exhibit A**' to this Notice.

Shri Shiv Ratan Goenka (DIN:00225734) is interested in the resolution set out at Item No.6 of the Notice with regard to his appointment, and his relatives may be deemed to be interested in the said resolution to the extent of their shareholdings, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or Relatives of Director and Key Managerial Personnel are in any way concerned or interested in the said resolution.

Letter of appointment of Shri Shiv Ratan Goenka (DIN:00225734) setting out the terms and conditions is available for inspection by the members at the Registered Office of the Company.

The Board of Directors recommended the resolution as set out at Item No. 6 of this Notice for your approval.

#### **Item No.7**

The Board of Directors of the Company, vide Board Resolution dated 12th February 2016, re-appointed Shri S.K.Bangur (DIN:00053237), as Chairman & Managing Director of the Company for a period of 5 years with effect from May 01, 2016 to April 30, 2021.

The Board of Directors, at the meeting held on 29th January, 2021, re-appointed Shri S.K.Bangur (DIN:00053237), as Chairman & Managing Director, for a further period of 5 (Five) years from May 01, 2021 to April 30, 2026, on the remuneration and other terms & conditions as approved by the Nomination and Remuneration Committee of the Board of Directors in their meeting held on 29th January, 2021.

The revised terms and conditions of re-appointment of Shri S.K.Bangur (DIN:00053237), as Chairman & Managing Director are as under:

#### **(i) Remuneration:**

##### **(a) Salary:**

Rs.20,00,000/- (Rupees Twenty Lakh only) per month.

##### **(b) Commission:**

Such Commission of the net profit, as may be agreed upon by the Board of Directors and Shri S.K.Bangur (DIN:00053237), for each financial year or part thereof, subject to the condition that the total remuneration i.e., salary, perquisites and commission in any one financial year shall not **exceed 4% (Four Percent)** of the net profit or as may be prescribed from time to time under Section 197 and other applicable provisions of the Act and the Rules framed thereunder, as may be for the time being in force.

#### **(ii) Perquisites:**

- (a) **Leave:** On full pay and allowances in accordance with the Rules of the Company.
- (b) **Provident Fund & Superannuation Fund:** Contribution to Provident Fund and Superannuation Fund in accordance with the Rules of the Company.
- (c) **Gratuity:** Half month's salary for each completed year of service in accordance with the Rules of the Company.
- (d) **Encashment of Earned Privilege Leave** (accumulated and not availed during the tenure) at the end of the tenure, as per Rules of the Company.
- (e) **Telephone:** Free telephone/mobile facility.



- (f) **Club Fees:** Fees and subscription up to four clubs.
- (g) Any other allowances, benefits and /or non-monetary perquisites as per the Rules applicable to the senior management of the company and/or which may become applicable in future, as the Board may from time to time decide, subject to the limits prescribed under relevant/applicable provisions of the Act, not exceeding above stated overall limit of 4%.

Your Directors are of the view that the re-appointment of Shri S.K.Bangur (DIN:00053237), as Chairman & Managing Director, who has attained the age of 70 years, in considering his skill, vast experience and knowledge, in implementing business transformations and capability to streamline and simplify business operations would be of immense benefit to the Company, it is imperative to note that, under his leadership, company has achieved many heights and feel that it is desirable to avail his services.

Shri S.K. Bangur (DIN:00053237), will continue to be a Director, who will not be liable to retire by rotation

Shri S.K. Bangur (DIN: 00053237), will not be paid any sitting fees for attending the meetings of the Board of Directors and Committees thereof.

The Company has taken "Directors & Officers liability insurance policy" which will be extended from time to time to cover full tenure of re-appointment.

The Company has received declaration from Shri S.K. Bangur (DIN: 00053237), that he is not disqualified to become a director and also consented to hold the office as Director.

In the opinion of the Board, Shri S.K. Bangur (DIN: 00053237), fulfills the conditions specified in the Act and Rules made thereunder,

Pursuant to Regulations 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**"), the fees or compensation payable to all the executive directors who are promoters or members of the promoter group, shall be subject to the approval of shareholders by special resolution in a general meeting if the annual remuneration payable to such executive director exceeds Rs. 5 Crores or 2.5 per cent of the net profit of the listed entity, whichever is higher. Provided that the approvals of shareholders under this provision shall be valid only till the expiry of the term of such Director. Remuneration including Commission to Shri S. K. Bangur (DIN: 00053237, Chairman and Managing Director as approved by the Board of Directors, at the meeting held on 29th January, 2021(stated above), exceeds the above-mentioned limits under Regulation 17(6)(e) of SEBI LODR. In this regard, approval of the shareholders is being sought by way of special resolution till his existing term/tenure ending on April 30, 2026.

The brief profile of Shri S.K.Bangur (DIN: 00053237), as required under Regulation 36(3) of SEBI LODR is provided as **Exhibit A** to this Notice.

Shri S.K.Bangur (DIN: 00053237) is deemed to be concerned or interested in the resolution at Item No.7 as it pertains to his re-appointment and remuneration payable to him. The relatives of Shri S.K.Bangur (DIN: 00053237) particularly Smt. Shashi Bangur, Shri Virendraa Bangur and Shri Saurabh Bangur are deemed to be concerned or interested in the resolution at Item No.7 to the extent of their shareholding interest, if any, in the Company.

Save and except the above none of the other Directors or Key Managerial Personnel of the Company or relatives of Directors and Key Managerial Personnel are, in any way, concerned or interested in the said resolution.

The Board of Directors recommended the resolution as set out at Item No. 7 of this Notice for your approval.

#### **Item No.8**

The Board of Directors of the Company, vide Board Resolution dated May 21, 2018, appointed Shri Rajendra Jain (DIN:07250797), as Executive Director of the Company for a period of 3 years with effect from July 31, 2018 to July 30 2021.

The Board of Directors, at the meeting held on 24th June, 2021 re-appointed Shri Rajendra Jain as Executive Director for further period of 3 (three) years from July 31, 2021 to July 30, 2024 on the remuneration and other terms and conditions as approved by the Nomination and Remuneration Committee of the Board of Directors in their meeting held on 24th June, 2021.

The revised terms and conditions of re-appointment of Shri Rajendra Jain, as Executive Director are as under:

1) Term of Appointment:

3 (three) years with effect from July 31, 2021 to July 30, 2024.

2) Remuneration:

- i) Salary: Rs. 8,88,655/- per month
- ii) Allowance: Rs. 6000/- per month

3) Perquisites:

- i) **Housing:** Furnished accommodation with free electricity and water supply.
- ii) **Medical Reimbursement:** Medical and Hospitalization benefits for him and his family by way of reimbursement of expenses actually incurred, the total cost of which to the Company shall not exceed one month's salary in a year or three months salary over a period of three years.
- iii) **Leave:** On full pay and allowance in accordance with the Rules of the Company.
- iv) **Leave Travel Concession:** For him and his family once in a year in accordance with the Rules of the Company.
- v) **Club Fees:** Fees and subscription of two clubs.
- vi) **Personal Accident Insurance:** Premium as per Rules of the Company.
- vii) **Provident Fund and Superannuation Fund:** Contribution of Provident Fund and Superannuation Fund in accordance with the Rules of the Company.
- viii) **Gratuity:** One half month's salary for each completed year of service in accordance with the Rules of the Company.
- ix) **Conveyance:** Provision of Car for use on the Company's business. In case Car is not provided, then reimbursement of expenses incurred on conveyance up to Rs.50,000/- per month.
- x) **Telephone:** Free telephone facility at residence.
- xi) Other benefits as are applicable to other senior executives of the Company (including but not limited to production bonus/ex-gratia, encashment of leave (subject to maximum of Ninety days), compensatory allowance in accordance with the schemes of the Company.
- xii) The Nomination and Remuneration Committee is authorized to raise Salary by giving increments on 1st August every year.
- xiii) The appointment may be terminated by either party by giving three months notice in writing of such intention.

The Executive Director shall not be entitled to payment of any sitting fees for attending any meeting of the Board of Directors of the Company or any Committee thereof.

**Other terms and conditions:**

Shri Rajendra Jain shall, during the term of office as Executive Director be liable to retire by rotation and shall continue to hold his office of Executive Director and the re-appointment as such Director shall not be deemed to constitute a break in his office of Executive Director.

The Company has taken "Directors & Officers liability insurance policy" which will be extended from time to time to cover full tenure of appointment.

Your directors feel that, continued appointment/association of Shri Rajendra Jain, in view of his skill, vast experience and knowledge would be of immense benefit to the Company and it is desirable to avail his services as Executive Director.

The Company has received declaration from Shri Rajendra Jain, that he is not disqualified to become a director and also consented to hold the office as Director.

In the opinion of the Board, Shri Rajendra Jain, fulfills the conditions specified in the Act and Rules made thereunder.

The brief profile of Shri Rajendra Jain, as required under Regulation 36(3) of SEBI LODR is provided as '**Exhibit A**' to this Notice.

Shri Rajendra Jain is deemed to be interested or concerned in the resolution at Item No.8 as the same pertain to his re-appointment and remuneration payable to him.

The relatives of Shri Rajendra Jain are deemed to be concerned or interested in the resolution at Item No.8 to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of other Directors or Key Managerial Personnel of the Company or relatives of Directors and Key Managerial Personnel are, in any way, concerned or interested in the said resolution.

The Board of Director recommended the resolution as set out at Item No.8 of this Notice for your approval.

**“Exhibit A” | Regulation 36(3) of SEBI LODR**

Sl. No.	Nature of Information	Item No. 3 of Notice	Item No.5 of Notice	Item No.6 of Notice	Item No.7 of Notice	Item No.8 of Notice
1.	Name	Smt. Shashi Bangur	Shri Sudarshan Somani	Shri Shiv Ratan Goenka	Shri S K Bangur	Shri Rajendra Jain
2.	Age	65 years	57 years	72 years	71 years	59 years
3.	Director of Company since	30 <sup>th</sup> May, 1994	10 <sup>th</sup> November, 2017	29 <sup>th</sup> January, 2021	24 <sup>th</sup> February, 1988	31 <sup>st</sup> July, 2015
4.	Expertise in specific functional areas	Industrialist	Service Sector	Businessman	Industrialist	Professional
5.	Qualifications	B.Com	B.Com	B. Com (Hons.)	B. Com	B.com, FCA, ACS
6.	Terms and Conditions of appointment / re-appointment	Re-appointment by rotation	As per Item no. 5 of the Explanatory Statement	As per Item no. 6 of the Explanatory Statement	As per Item no. 7 of the Explanatory Statement	As per Item no. 8 of the Explanatory Statement
7.	Relationships between Directors inter-se	None other Directors than Shri S K Bangur being her spouse and Shri Virendraa Bangur & Shri Saurabh Bangur being her sons are related.	None	None	None other Directors than Smt. Shashi Bangur being his spouse and Shri Virendraa Bangur & Shri Saurabh Bangur being his sons are related.	None
8.	Directorship in other Listed entities	None	1) Starteck Finance Limited 2) Andhra Paper Limited	None	1) Jayshree Chemicals Ltd. 2) Andhra Paper Limited	1) Andhra Paper Limited
9.	Membership of Committee of the Board in other Listed entities	None	<b>1) Starteck Finance Limited :</b> i) Audit Committee-chairman ii) Nomination and Remuneration Committee- Chairman iii) Stakeholders Relationship Committee- Member iv) CSR Committee-Member <b>2) Andhra Paper Limited:</b> i) Stakeholders Relationship Committee- Chairman ii) CSR Committee-Chairman	None	<b>1) Jayshree Chemicals Ltd.:</b> i) Nomination and Remuneration Committee- Member ii) Stakeholders Relationship Committee- Member iii) CSR Committee-Chairman <b>2) Andhra Paper Limited:</b> i) Nomination and Remuneration Committee- Member ii) Audit Committee-Member iii) CSR Committee-Member	<b>1) Andhra Paper Limited:</b> i) Stakeholders Relationship Committee- Member ii) CSR Committee-Member
10.	No. of shares held in the Company	2319415	197300	Nil	2792339	Nil

By Order of the Board

**Brajmohan Prasad**  
Company Secretary  
M.No. F7492

Place: Dandeli  
Date: 24th June, 2021

**Remote e-Voting Instructions for shareholders**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.</p> <ul style="list-style-type: none"> <li>• After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>• If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
Individual Shareholders holding securities in demat mode with CDSL	<p>Existing user, who have opted for 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.</p> <ul style="list-style-type: none"> <li>• After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name 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> <li>• Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li> </ul>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>• Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> <ul style="list-style-type: none"> <li>▶ Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details:-               <ol style="list-style-type: none"> <li>A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company.</li> <li>B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li>C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.                   <ul style="list-style-type: none"> <li>• Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above</li> </ul> </li> </ol> </li> <li>▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>▶ Click “confirm” (Your password is now generated).</li> </ul> </li> <li>2. Click on ‘Login’ under ‘SHARE HOLDER’ tab.</li> <li>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.</li> <li>4. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.</li> <li>5. E-voting page will appear.</li> <li>6. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).</li> <li>7. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.</li> </ol>

### Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same, also can send the same to scrutinizer at email ID : [csnaman@ngjoshiandco.com](mailto:csnaman@ngjoshiandco.com).

**Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.
  - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
  - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22-23058542-43.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 -4918 6000.

**InstaVote Support Desk**

**Link Intime India Private Limited**

**Instructions for Shareholders/Members to Attend the Annual General Meeting through InstaMeet:**

**Instructions for Shareholders/Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:**

- 1) Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/ OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

- 2) Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.
- 3) Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:
  - A. Open the internet browser and launch the URL for InstaMeet<<<https://instameet.linkintime.co.in>>> and register with your following details:
    - a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
    - b. PAN: Enter your 10 digit Permanent Account Number (PAN)
    - c. Mobile No.
    - d. Email ID
  - B. Click "Go to Meeting"

**Note:**

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (**preferably 2 MBPS download stream**) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Call us: - Tel:(022-49186175)

**InstaMeet Support Desk**

**Link Intime India Private Limited**

**Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting:**

Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number to [co.sec@westcoastpaper.com](mailto:co.sec@westcoastpaper.com) from **19th September, 2021 to 21st September, 2021** (preferably one day or 24 hrs. prior to the date of AGM).

The first 30 Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.

Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number to [co.sec@westcoastpaper.com](mailto:co.sec@westcoastpaper.com). The same will be replied by the company suitably.

**Note:**

Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (**preferably 2 MBPS download stream**) to avoid any disturbance during the meeting.

### **Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired.  
Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:** Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Call us: - Tel:(022-49186175)

### **Insta Meet Support Desk**

### **Link Intime India Private Limited**





A story of



Scalability



Stability



Sustainability

**WEST COAST PAPER MILLS LIMITED**

*Your partner in progress...*

Annual Report 2020-21

# WESCO

*Flying towards excellence*

West Coast product-line features in well-established WESCO brand Paper & Boards, commercial to premium grades ranging from 52 to 600 GSM, catered to across six different product segments like (1) Writing Paper (2) Printing Paper (3) Specialty Paper (4) Industrial Paper (5) Packaging Board (6) Business Stationery

To overcome the competition and to improve the sales realization, WCPM has been consistently upgrading its technology with a sustained focus in the fast growing and value added product segments.

The company's swing manufacturing facility enables the company to produce diversified range of products, which has been a source of strength to keep in line with the market demand.

## Finest Paper Products

WESCO Super Shine	WESCO StrawBase	WESCO MICR	WESCO PARCHMENT	WESCO LEDGER	WESCO STRAWFOLD
WESCO Bond	WESCO DURA PRINT	WESCO Wallkup	WESCO UHB BOARD	WESCO AZURELAI	WESCO MG Posters
WESCO STIFFENER	WESCO AQUABASE	WESCO ARSR	WESCO Documate	WESCO Xelent	WESCO Impression
WESCO INDIGO CLASSIC	WESCO NOVA PRINT	WESCO B2B Copier	WESCO COPY GOLD	WESCO COPY PLUS	WESCO Classic
WESCO ULTRA SHINE	WESCO Marvel	WESCO PRIME	WESCO Prime SUPER GREEN	WESCO imprint	WESCO LINER
		WESCO ECOliner	WESCO FIRMA		

WESCO  
SERVING PAPER,  
*and yet* PRESERVING NATURE




## WCPM - A COMPANY WITH A DISTINCT VISION



1000 tonnes of paper & board per day



An impressive range of products



Technology of the future



Renewable raw material



Environment friendly production techniques



Elemental Chlorine Free Pulping



FSC Certified Paper



Captive power plants

# WESCO

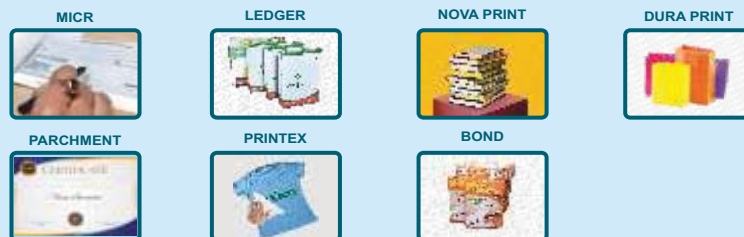
## RANGE OF OFFICE STATIONERIES

- The WESCO business stationery range comprise high quality office papers crafted to suit modern-day office printing demands.
- Every product is a result of cutting edge technology backed by online process & quality control systems and made of superior raw material.
- Web-Cut and online packed using world class high precision cut-pack system.



# WESCO

## VALUE ADDED PRODUCTS



[www.westcoastpaper.com](http://www.westcoastpaper.com)





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This Annual Report is available online at  
<http://www.westcoastpaper.com/investors/>



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BSE Market Capitalisation  
as at 31st March, 2021 ₹ 158,616 lakhs

NSE Market Capitalisation  
as at 31st March, 2021 ₹ 159,475 lakhs

Final Dividend declared ₹ 1 per Share (50%)

BSE Code 500444

NSE SYMBOL WSTCSTPAPR

AGM Date 22nd September, 2021

AGM Mode Video conferencing

### FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward looking 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 contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identifying such statements by using words such as 'anticipates,'estimate','aspects', '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 realized, 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 materialized, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Reader should bear this in their mind.

We undertake no obligation to publicly updated any forward looking statements, whether as a results of news information, future events or otherwise.

# Corporate Information

## BOARD OF DIRECTORS

Shri S. K. Bangur, Chairman & Managing Director  
Shri Saurabh Bangur, Vice Chairman  
Shri Virendraa Bangur, Joint Managing Director  
Smt. Shashi Bangur  
Shri P. N. Kapadia  
Shri Amitav Kothari  
Shri Sudarshan Somani  
Smt. Arpita Vinay  
Shri Shiv Ratan Goenka (w.e.f. 29.01.2021)  
Shri Rajendra Jain, Executive Director & CFO

## MANAGEMENT TEAM

### Paper and Duplex Board Division

Shri Rajendra Jain, Executive Director & CFO  
Shri B. H. Rathi, President (Technical)  
Shri S. N. Patil, Senior Vice-President (Human Resource)  
Shri P. C. Maloo, Senior Vice-President (Marketing)  
Shri Ashok Kumar Sharma, Senior Vice-President (F&A)

### Telecom Cable Division

Shri Anil Tanwani - Chief Executive Officer  
Shri Shiv Shanker Gupta - Chief Financial Officer

## COMPANY SECRETARY

Shri Brajmohan Prasad

## BANKER

Central Bank of India  
State Bank of India  
Canara Bank  
ICICI Bank Ltd.  
IDBI Bank Ltd.  
Standard Chartered Bank  
Axis Bank Ltd.

## STATUTORY AUDITORS

Singhi & Co, Kolkata

## COST AUDITOR

Shri Umesh Kini, Sirsi

## SECRETARIAL AUDITOR

Shri Naman G. Joshi, Bangalore

## LEGAL ADVISORS

Khaitan & Co., Mumbai

## REGISTERED OFFICE

Bangur Nagar, Dandeli-581 325  
District. Uttara Kannada, Karnataka  
Phone: (08284) 231391-395  
Fax: (08284) 231225  
E-mail: co.sec@westcoastpaper.com

## CORPORATE OFFICE & EAST ZONE

31, Chowringhee Road,  
(Park Street Crossing)  
Kolkata-700 016  
Phone: (033) 71500500 / 22656271-74  
Fax: (033) 22266086  
E-mail: sales.ho@westcoastpaper.com

## ZONAL OFFICES

### North Zone

6 C D E, Hansalaya Building  
15- Barakhamba Road,  
New Delhi-110 001  
Phone: (011) 40110101, 40110102  
E-mail: wcpm.north@westcoastpaper.com

### West Zone

Shreeniwas House  
H.Somani Marg, Fort, Mumbai-400 001  
Phone: (022) 22070041-44  
E-mail: wcpm.west@westcoastpaper.com

### South Zone-1

23/1 Kanakasri Nagar  
Off Cathedral Road, Chennai-600 086  
Phone: (044) 28111654,  
28111299, 28117013, 42359709  
E-mail: wcpm.south@westcoastpaper.com

### South Zone -2

"Chandrakiran Building", 4th Floor,  
10/A, Kasturba Road, Bangalore-560 001  
Phone: (080) 22231828-1829  
E-mail: wcpm.south2@westcoastpaper.com

### South Zone -3

Krishe Sapphire Building, 8th Floor  
1-89/3/B/40 to 42/KS/801, Hitech City Main Road,  
Madhapur  
Hyderabad-500 081, Telangana  
Phone: (044) 40276854  
E-mail: wcpm.south3@westcoastpaper.com

## TELECOM CABLE DIVISION

West Coast Optilinks (Sudarshan Telecom)  
Plot No. 386/387, KIADB, Electronic City  
Hebbal Industrial Area, Mysore-570 016  
Phone:(0821) 2404059, 4281980  
Fax: (0821) 2404061  
E-mail: info@westcoastoptilinks.com



## Ten Year Highlights

		2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>PRODUCTION</b>											
PAPER/PAPER BOARD & MULTILAYER BOARD	Tonnes	229017	313876	304957	290844	313311	306960	300514	310002	317808	308230
OPTICAL FIBRE CABLE	Km	54396	37392	40097	28405	29802	42989	30438	20686	20242	20184
CONTROL CABLE	CKm	-	-	-	-	-	-	-	-	-	341
<b>SALES</b>											
PAPER/PAPER BOARD & MULTILAYER BOARD	Tonnes	234667	304762	301931	291512	317951	315146	302978	298682	321018	305818
OPTICAL FIBRE CABLE	Km	54982	37510	37930	28665	30936	40545	30368	21053	20161	20308
CONTROL CABLE	CKm	-	-	-	-	-	-	-	-	-	337
<b>OPERATING RESULTS</b>											
TURNOVER	₹/Lakhs	136182	197251	196852	172222	187028	179953	174715	165483	154125	136620
GROSS PROFIT(PBDT)	₹/Lakhs	13587	45675	50068	33878	28272	18927	17853	14114	20084	15866
DEPRECIATION	₹/Lakhs	15349	16637	17526	11622	11077	11081	12220	12719	17629	20535
EXCEPTIONAL ITEMS	₹/Lakhs	-	-	-	-	-	5324	5160	-	-	-
TAXATION	₹/Lakhs	199	4750	6800	4551	3654	598	-	166	372	-
MAT CREDIT ENTITLEMENT	₹/Lakhs	319	(1367)	(2129)	(4551)	(3654)	(598)	-	(154)	(335)	-
DEFERRED TAX	₹/Lakhs	(2485)	(1985)	(1735)	(67)	4938	1637	362	720	607	(1314)
NET PROFIT/(LOSS) /OCI	₹/Lakhs	291	27169	29631	22267	12258	885	111	663	1811	(3356)
DIVIDEND	₹/Lakhs	660	3302	3302	2642	1651	660	-	660	660	206
<b>FINANCIAL POSITION</b>											
GROSS BLOCK	₹/Lakhs	256097	254597	244131	229298	215871	210374	207934	205632	201596	198706
DEPRECIATION	₹/Lakhs	170807	158489	141919	126044	115432	104040	93035	80866	69565	52570
NET BLOCK	₹/Lakhs	85290	96108	102212	103254	100439	106334	114899	124766	132031	146136
PAID UP CAPITAL	₹/Lakhs	1321	1321	1321	1321	1321	1321	1321	1321	1321	1255
RESERVES & SURPLUS	₹/Lakhs	128523	128232	109031	82580	62594	58547	58456	58345	58455	55698
NET WORTH	₹/Lakhs	129844	129553	110352	83901	63915	59868	59777	59666	59776	56953
BORROWINGS	₹/Lakhs	65030	76691	40021	30416	49986	74393	91042	106608	108063	126365
CAPITAL EMPLOYED	₹/Lakhs	194874	206244	150373	114317	113901	134261	150819	166274	167839	183318
<b>SOME SELECTED RATIOS</b>											
EARNINGS PER SHARE (₹ 2) (BASIC)		0.31	41.85	44.82	33.80	19.46	1.34	0.17	1	9	4
BOOK VALUE PER SHARE	₹	197	196	167	127	97	91	91	90	91	91
DIVIDEND [EQUITY SHARES]	%	50	250	250	200	125	50	-	50	50	10
DEBT EQUITY RATIO		33:67	37:63	27:73	27:73	44:56	55:45	60:40	64:36	64:36	69:31

## Directors' Report

Your Directors are pleased to present the 66th Annual Report of your company, together with the audited financial statements for the year ended 31st March 2021.

### FINANCIAL RESULTS:

Financial Results of the Company for the year under review along with the figures for previous year are as follows:

Particulars	31st March, 2021	31st March, 2020
	(₹ in Crores)	
Profit Before Finance Cost, Depreciation and Tax (PBIDT)	201.05	528.79
Finance Cost	65.18	72.04
Profit Before Depreciation and Tax	135.87	456.75
Depreciation	153.49	166.37
Tax Expenses (Including Deferred Tax)	(19.67)	13.98
Profit After Tax (PAT)	2.05	276.40
Other Comprehensive Income (Net of Tax)	0.86	(4.71)
<b>Total Comprehensive Income</b>	<b>2.91</b>	<b>271.69</b>

### DIVIDEND:

Your Directors are pleased to recommend a dividend of ₹ 1 per equity share (50%) for the financial year 2020-21, subject to shareholder's approval at the forthcoming Annual General Meeting.

### PERFORMANCE:

The performance of the Company during the year under review has been adversely impacted on account of COVID Pandemic as the operations were disturbed due to intermittent working of the Plant at lower capacity.

### DIVISION WISE PERFORMANCE:

#### PAPER AND PAPERBOARD DIVISION, DANDELI

The production of Paper and Paperboard was 229017 MT (72 % capacity utilization) during the year against 313876 MT in the last year (98% capacity utilization) i.e., lower by 84859 MT. The Sale of Paper and Paperboard was 234667 MT during the year against 304762 MT in the last year i.e., lower by 70095 MT. Turnover during the year was ₹ 1281 Crores as against ₹ 1866 Crores in the last year, i.e., lower by ₹ 585 Crores. The EBITDA margin was 14.18 % during the year.



## Directors' Report *(Contd.)*



**FIBRELINE UPGRADATION**



**NEW CHIPPER HOUSE**



**NEW CD FILTER**



## Directors' Report *(Contd.)*

### CABLE DIVISION, MYSORE

The Production of Optical Fibre Cable was 54396 Kms during the year against 37392 Kms in last year, thereby higher production by 17004 Kms. The Sale of Optical Fibre Cable was 54982 Kms during the year as against 37510 Kms in the last year i.e. higher by 17472 Kms. The Turnover was ₹ 81 Crores during the year as against ₹ 107 Crores in the last year i.e., lower by ₹ 26 Crores due to substantial drop in prices. The EBITDA margin was 10.58% during the year.

### EXPORTS:

Export of Paper and Paperboard in foreign currency during the year was 2038 MT worth ₹ 12 Crores (FOB) as against 3588 MT worth ₹ 21 Crores (FOB) in the last year. Similarly, Cable worth ₹ 4 Crores (FOB) was exported during the year as against ₹ 8 Crores in the last year.

### FUTURE PLAN:

Company is continuously working by phase wise investment at Paper Division, Dandeli for improving paper quality, produce new speciality products and reduction of usage of steam, power, chemical, water and also minimize the breakdown of machines.

Additionally, the Company's Cable Division is planning to enter into long term agreements with various Telcos which would help us to grow the cable business. There is a plan to substantially increase the footprint in export market as well. We have ventured into Ribbon & FTTH cables.

### COVID 19 PANDEMIC UPDATE:

Company is closely monitoring the global outbreak of COVID 19 Pandemic and the Company has implemented a number of measures to protect the employees, operations and communities. During Q1 to Q3 FY 21, the Mill operation got impacted substantial. In Q4 FY 21, things improved. But due to second wave of COVID, the Mill operation is getting impacted in Q1 FY 22. It is expected that it should improve in Q2 FY22 onwards.



Company is as a part of CSR initiative, establishing one PSA Oxygen Plant for 50 patient's requirements in Dandeli Government Hospital which is expect to start by first week of Aug 21. This noble initiative will help the local community for timely availability of Oxygen and development of medical infrastructure in Dandeli for future use.



## Directors' Report *(Contd.)*

### RELATED PARTY DISCLOSURE AND TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons.

All related party transactions are placed before the Audit Committee and also the Board for approval. The Details of related party disclosure and transaction as required by the Accounting Standards (Ind AS 24) and AOC-2 have been made in the notes to the Financial Statements.

The Company has developed a policy on related party transaction and its materiality for the purpose of identification and monitoring of such transaction. The Policy on related party transaction and its materiality as approved by the Board is uploaded on the Company's website: [www.westcoastpaper.com](http://www.westcoastpaper.com).

### ANNUAL RETURN:

As per the Companies (Amendment) Act, 2017 dated 3rd January, 2018 read with notification dated 9th February, 2018 a copy of Annual Return is available at the weblink : <http://www.westcoastpaper.com/investors/>.

### CORPORATE SOCIAL RESPONSIBILITY:

The Company has framed a Corporate Social Responsibility (CSR) Policy as required under Section 135 of the Companies Act, 2013. CSR Committee has been framed pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, to oversee the CSR activities initiated by the Company during the financial year under review. Annual Report on CSR in the prescribed format is attached and forms a part of this report & policy may be accessed on the Company's website.

### MEETINGS OF THE BOARD:

During the year under review, Six Board Meetings were held and details thereof are mentioned in the Report on Corporate Governance, forms a part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 is as below:

#### Appointment policy for Independent Directors, Key Managerial Personnel & Senior Executives is as under-

##### (A) Independent Directors:

Independent Directors are appointed based on the criteria mentioned under Section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, Rules made there under & Listing Agreements entered with Stock Exchanges.

##### (B) Key Managerial Personnel (KMP):

KMP are appointed by the resolution of the Board of Directors of the Company, based on the qualification, experience and exposure in the prescribed fields. Removal of the KMP are done by the resolution of the Board of Directors of the Company. Appointment/Removal is in accordance with provisions of the Companies Act, 2013, Rules made there under & Listing Agreements entered with Stock Exchanges.

##### (C) Senior Executives:

Senior Executives are appointed by the Chairman & Managing Director and/or Executive Director of the Company based on their qualification, experience & exposure. Removal of the Senior Executive is also done by Chairman & Managing Director and/or Executive Director. Further, appointment & removal are noted by the Board as required under clause 8(3) of Companies (Meetings of the Board and its Powers) Rules, 2014.



## Directors' Report *(Contd.)*

### **PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS:**

Criteria for performance evaluation of Independent Directors as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed herewith forms a part of this report.

### **MANAGERIAL REMUNERATION:**

The requisite details as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith forms a part of this report.

### **CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING/OUTGO:**

The information required under Section 134(3)(m) of the Companies Act, 2013 is annexed herewith forms a part of this report.

### **MANAGEMENT'S DISCUSSION AND ANALYSIS :**

A comprehensive Management's Discussion and Analysis Report, as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed herewith forms a part of this report.

### **CORPORATE GOVERNANCE:**

Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Corporate Governance Report is annexed herewith forms a part of this report.

A certificate from the auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith, forms a part of this report.

The Company is complying with Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance and reports to that effect are being regularly filed with the Stock Exchanges. The Company has obtained declaration from the Directors and Senior Management Personnel of the Company for compliance of Code of Conduct and the Certificate from CEO/CFO was placed before the Board of Directors at the meeting held on 24th June, 2021.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors' Responsibility Statement, as required under Section 134(5) of the Companies Act, 2013, is annexed herewith forms a part of this report.

### **DIRECTORS AND KMP:**

#### **Retirement after Second Term**

Lt. Gen. Utpal Bhattacharyya, PVSM, AVSM (Retd.), Shri Krishna Kumar Karwa and Shri M. P. Taparia, were retired from the services of the Company after completing their second term on 01.02.2021.

#### **Retirement by Rotation**

Smt. Shashi Bangur (DIN:00053300) will retire from the office by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

#### **Appointment**

Shri Shiv Ratan Goenka (DIN: 00225734) has been appointed as Additional Independent Director of the Company at the meeting of the Board held on 29.01.2021 and Notice of ensuing Annual General Meeting includes the proposal for appointment as Director.



## Directors' Report *(Contd.)*

### Re-appointment

Shri Sudarshan Somani (DIN: 00137568) was appointed as Independent Director to hold office for 3(three) consecutive years not liable to retire by rotation with effect from November 10, 2017, the said term was completed on 09.11.2020. The Board of Directors passed the resolution by circulation dated 20.10.2020 and as recommended by the Nomination and Remuneration Committee on the basis of report of performance evaluation, have re-appointed him, as an Independent Director of the Company not liable to retire by rotation and Notice of ensuing Annual General Meeting includes the proposal for re-appointment of Shri Sudarshan Somani.

### Re-appointment of KMP

Shri Shree Kumar Bangur (DIN:00053237) has been re-appointed as Chairman and Managing Director of the Company w.e.f. 01.05.2021 by the Board of Directors in their meeting held on 29.01.2021.

Shri Rajendra Jain (DIN:07250797) has been re-appointed as Executive Director of the Company w.e.f. 31.07.2021 by the Board of Directors in their meeting held on 24th June, 2021.

The Notice convening the AGM includes the proposal for re-appointment of Shri Shree Kumar Bangur and Shri Rajendra Jain.

### DECLARATION BY DIRECTORS:

The Company has received declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of meeting the criteria of independence provided under Section 149(6) of the Companies Act, 2013 and clause (b) of sub-regulation (1) of the Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### REPORTING OF FRAUDS:

Auditors of the Company have not reported any fraud as specified under the 2nd proviso to Section 143(12) of the Companies Act, 2013.

### BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an annual performance evaluation of its own performance, the Director individually as well as the evaluation of the working of its Board Committees. The manner of evaluation has been explained in the Corporate Governance Report.

### SHARE CAPITAL:

The paid-up Equity Share Capital as on 31st March, 2021 was Rs. 1320.98 lakhs comprising of 6,60,48,908 Equity Shares of Rs. 2/-each. During the year under review, the Company has not issued any further shares to the members or general public.

### NON-CONVERTIBLE DEBENTURES:

Details of NCDs are given in the Corporate Governance Report is annexed herewith forms a part of this report.

### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

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

### BUSINESS RESPONSIBILITY REPORT (BRR)

SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019, notified on 26.12.2019, amended the Regulation 34(2)(f), which requires, Annual Report of top one thousand listed entities based on market capitalization, shall contain BRR. BRR is annexed herewith forms a part of this report.



## Directors' Report *(Contd.)*

### **FAMILIARIZATION POLICY:**

Pursuant to Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has framed a policy to familiarize the Independent Directors about the Company. The Policy is available on the website of the Company: [www.westcoastpaper.com](http://www.westcoastpaper.com).

### **VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Vigil Mechanism of the Company incorporates a policy under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 7 of the Companies (Meeting of the Board and its Power) Rules 2014, provide the mechanism for Employees and Directors of the Company to approach the Executive Director and the Chairman of the Audit Committee of the Board. Protected disclosures can be made by a Whistle Blower by means of e-mail or telephone or letter to the Executive Director or to the Chairman of the Audit Committee. The policy on Vigil Mechanism may be accessed on the Company's website.

### **BUSINESS RISKS MANAGEMENT:**

Pursuant to Regulation 17(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a framework to inform the Board about the particulars of Risks Assessment and Minimization Procedures (Risks Management) Plan. The Risks Management Plan is available on the website of the Company.

### **DISCLOSURE PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

Details required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the Companies (Accounts) Amendment Rules, 2018 covered in the report of Corporate Governance forms a part of this Annual Report.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT:**

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

### **AUDITORS' REPORT:**

The Notes on Accounts and the observations of the Auditors in their Report on the Accounts of the Company are self explanatory and in the opinion of the Directors, do not call for any clarifications.

### **AUDITORS:**

#### **a. Statutory Auditors and their Report**

M/s Singhi & Co. Chartered Accountants, Kolkata appointed as Statutory Auditors at the 62nd Annual General Meeting of the Company pursuant to the provision of rotation under Section 139 and 141 of the Companies Act, 2013 and Rule 7 of the Companies (Audit and Auditors) Rules, 2014, for a period of 5 consecutive years ending on 31.03.2022 and consent of the members accorded at the 63rd Annual General Meeting held on 22nd August, 2018 to continue the appointment thereof, as the Auditors of the Company for the remaining term without any further ratification by the shareholders, pursuant to the amended provisions of Section 139 of the Companies Act, 2013 and Rules made there under, notified by Ministry of Corporate Affairs as on 07.05.2018. The observations of the Auditors in their report for the financial year 2020-21 on Accounts and the Financial Statements, read with the relevant notes are self explanatory.

#### **b. Secretarial Auditor and Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors appointed Shri Naman Joshi, Bangalore practicing Company Secretary as Secretarial Auditor to carry out Secretarial Audit of the records maintained by the Company for the financial year 2020-21. The Report given by him for the said financial year in the prescribed form No: MR 3 is annexed to this report.



## Directors' Report *(Contd.)*

### c. Cost Auditor and Cost Audit Report

Pursuant to revised order of the Central Government dated 31.12.2014 Cost Audit of the Cost Records of the Company is mandatory from the financial year starting 1st April 2015 and Shri Umesh Kini, Cost Accountant, Sirsi has been appointed as Cost Auditor of the Company to conduct Cost Audit of Cost Records maintained by the Company for the financial year 2021-22. Accordingly, matter relating to the appointment will be placed in the Annual General Meeting.

### INTERNAL CONTROL SYSTEM:

There are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inputs, availing of services, fixed assets, for the sale of goods and providing of services. Full-fledged Internal Audit department carries out pre and post audit of all significant transactions throughout the year. Company has also appointed M/s S.S.Kothari Mehta & Co., Chartered Accountants, New Delhi (outsourced) as Internal Auditor. Based on the Annual Internal Audit programme as approved by Audit Committee of Board, regular internal audits are conducted. Findings are placed before Audit Committee, which reviews and discuss the actions taken with the Management.

### INDUSTRIAL RELATIONS:

Industrial Relations remained cordial throughout the year under review. The Company has entered into a tripartite long-term wage revision settlement with Joint Negotiation Committee of Unions on 04.05.2016 for the period from 01.01.2015 to 31.12.2018. The process of renewal of tripartite long-term wage revision settlement with Joint Negotiation Committee of Unions from 01.01.2019 is going on. Your Directors acknowledge the support and co-operation from employees at all levels.

### CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The Audited Consolidated Financial Statements together with Auditors' Report forms a part of this report.

A Report on the performance and financial position of wholly owned subsidiary company (West Coast Opticable Limited) and listed subsidiary company (Andhra Paper Limited) for the financial year ended 31.03.2021 included in the Consolidated Financial Statements is presented in the separate section AOC-1, forms a part of this report.

Pursuant to the provisions under Section 136 of the Companies Act, 2013 the financial statements including consolidated financial statements along with relevant documents and separate Audited Accounts of the subsidiary companies are available at the Company's website.

### ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation and thanks to the Central and State Governments, Banks, Financial Institutions, Customers, Suppliers and Shareholders for their continued support and co-operation.

Your Directors take the opportunity to place on record their deep appreciation of the committed services rendered by the employees of the Company, who have contributed significantly towards Company's performance and growth.

For and on behalf of the Board

**S. K. Bangur**

*Chairman & Managing Director*

DIN: 00053237

Place: Dandeli

Date: 24th June, 2021



## Annexure to Directors' Report

### ANNEXURE – II

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES(CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

- Brief outline on CSR Policy of the Company: Available on the Website: <http://westcoastpaper.com>
- Composition of CSR Committee:

S. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Virendraa Bangur	Chairman/WTD (w.e.f. 29.01.2021)	3	1
2	Shri Saurabh Bangur	Member/NED		3
3	Smt. Arpita Vinay	Member/ INED (w.e.f. 29.01.2021)		1
4	Shri S.K.Bangur	Chairman/WTD( till 29.01.2021)		2
5	Shri M.P.Taparia	Member/INED (till 29.01.2021)		2

#### Note: CSR Committee reconstituted on 29.01.2021

- 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: Website: <http://westcoastpaper.com/Investors>
- 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 (attach the report): **Not Applicable**
- Details of 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: **Nil**
- Average net profit of the Company as per Section 135(5): ₹ 27970.05 Lakhs
- (a) Two percent of average net profit of the Company as per Section 135(5) : ₹ 559.40 Lakhs  
(b) Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial year: Nil  
(c) Amount required to be set off for the financial year, if any: Nil  
(d) Total CSR obligation for the financial year ( 7a+ 7b+7c) : ₹ 559.40 Lakhs
- (a) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial Year (₹ in Lakhs)	Amount unspent (₹ in Lakhs)				
	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
353.02	206.38	30.04.2021	-	-	-



## Annexure to Directors' Report (Contd.)

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

(1) S. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII of the Act	(4) Local area (Yes/No)	(5) Location of the Project		(6) Project duration	(7) Amount allocated for the project (₹ in Lakhs)	(8) Amount spent in the current financial year (₹ in Lakhs)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	(10) Mode of Implementation – Direct (Yes/No)	(11) Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration No.
1.	a) Infrastructure development at Bangur Nagar Degree & Junior College, Dandeli for benefits of rural students b) Creation of Science Laboratory at Shri Chhatrapati Shivaji Education Trust Haliyal	Promoting Education & Skill Development	Yes	Karnataka	Uttara Kannada	3 years	215.88	9.50	206.38	Yes	-	-
Total							215.88	9.50	206.38			

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

(1) S. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII of the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (₹ in Lakhs)	(7) Mode of Implementation – Direct (Yes/No)	(8) Mode of Implementation- Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	<b>Health Care Programs:</b> <b>a) Animal Health Check-up:</b> Visit of Veterinary Doctors to 7 downstream villages for animal's health check-up and free distribution of medicines. <b>b) Prevention measure regarding COVID-19:</b> Construction of RT-PCR testing Kiosks at Dandeli and Joida General Hospitals. Sanitization of Hospitals, Schools and Colleges and entire Dandeli City during Covid time. Distribution of PPE Kits, Pulse Oximeters, Thermal Scanners, N95 Masks, Face Shields, Hand Gloves, Liquid Soaps, Bio Disposable Yellow Bags to Covid- Warrior teams, Schools and Colleges in Dandeli, Haliyal and Joida. Establishment of Covid Isolation Centre in Bangur Nagar Degree College Campus for 100 patients with required infrastructure. Display of Awareness and Educative Banners of Covid-19 all over Dandeli City. <b>c) Supply of two Domestic Garbage Collection Vans</b> to Municipality for door to door domestic garbage collection to improve hygiene in Dandeli. <b>d) Providing equipment etc.</b> like Invertors, Washing Machines, LED TV, Computers for general public benefits to Govt. Hospitals & ESI Hospital Dandeli and Govt. Hospital Haliyal.	Health Care	Yes	Karnataka	Uttara Kannada	66.75	Yes	NA	NA





## Annexure to Directors' Report (Contd.)

1) S. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII of the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (₹ in Lakhs)	(7) Mode of Implementation -Direct (Yes/No)	(8) Mode of Implementation- Through Implementing Agency	
				State	District			Name	CSR Registration No.
2.	<p><b>Education Support Programs:</b></p> <p><b>a) Education Initiative:</b> Distribution of Umbrella &amp; School Bags to students of weaker sections of society in surrounding villages. Distribution of 3,13,000 Note Books at 50% cost to poor students of Dandeli, Villages in Dandeli Taluka, Yellapur and Mundagod Talukas. Awarding and felicitating meritorious students of Dandeli who passed out with distinction during 2020-21 academic year. Financial assistance for educational initiative to rural students to Dandeli Education Society, Dandeli. Financial support to Jyotirmai Club, Kolkata for educational initiative of poor children in Vidya Mandir Kolkata.</p> <p><b>b) Vocational Training:</b> Tailoring training to 100 women of weaker section of society and free distribution of Sewing Machines to support self-employment. Technical training to 20 unemployed youth for operating JCB-earth moving equipment to enable employability. Technical training to 20 unemployed youth to drive Light Motor Vehicle and obtain driving license for employability in tourism/ transport sectors.</p> <p><b>c) Infrastructure Initiative:</b> Providing desks cum benches, Computers &amp; Education Aids to Schools &amp; Colleges of surrounding villages of Dandeli, Haliyal and Joida Talukas. Providing Kids friendly soft chairs, tables and toys as Education Aids Anganwadi Day Care Centers of Dandeli. Creating infrastructure/renovation of student's amenities/facilities in Bangur Nagar Composite Junior College, Dandeli. Infrastructure creation and reconstruction in Bangur Nagar Arts Science and Commerce Colleges, Dandeli of amenities and facilities for students. Providing financial support towards educational initiative to under privileges students in Vidya Mandir of Gyan Jyoti Education Foundation, Guwahati, Assam. Providing financial assistance for construction of Class Rooms for Udupiri Ramakrishna Saradamayee Raghabananda Vidyapith Purulia for benefit of poor students. Providing financial support to Shri Swami Vivekanand Education Trust, Haliyal for construction of Class Rooms for benefit of rural students. Providing financial support to Lions School Dandeli for construction of student's facilities for students from Dandeli slum areas. Providing financial support to Shri Chhatrapati Shivaji Education Trust, Haliyal for construction of Class Rooms for benefits of rural girls. Infrastructure creation support to Shri Chhatrapati Shivaji Education Trust Haliyal for construction of Science Laboratory for rural students.</p>	Education and Skill	Yes/No	Karnataka/ West Bengal/ Assam	Uttara Kannada/ Kolkata/ Guwahati	160.33	Yes	NA	NA



## Annexure to Directors' Report (Contd.)

1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
				State	District			Name	CSR Registration No.
S. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in Lakhs)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation- Through Implementing Agency	
3.	<b>Promotion of Social activities and creation of Infrastructure:</b> Contribution to Karnataka Sangha for providing 125 chairs for senior citizens. Providing infrastructures facilities for benefits of citizens at Rural Police Station, Dandeli. Renovation at Maheshwari Bhawan for benefits of senior citizens. Installation of one Bus Shelter at Pansolli in Joida Taluka for the benefit of rural people. Providing 23 Cement Benches in Parks of Dandeli for the benefit of general public.	Rural Development	Yes	Karnataka	Uttara Kannada	6.12	Yes	NA	NA
4.	<b>Protection of Natural Resource and sustainability</b> <b>a) Environmental Initiative:</b> Maintenance of Dandakarnya Eco Park, Dandeli for general public and tourist. Maintenance of Nandgokul Garden, Dandeli for general public. Parisara Ratna Contribution to create awareness about Environment . Distribution of 45000 cotton Grocery Bags to citizen of UK District to promoting stopping of Single Use Plastic. Creation of Eco-friendly pond for immersion of Shree Ganpati Idol at Basaveshwar Nagar Dandeli for general public use.	Environmental Sustainability and Ecological Balance	Yes	Karnataka	Uttara Kannada	16.83	Yes	NA	NA
5.	<b>Protection and Promotion of national heritage, traditional arts &amp; social activities</b> <b>a) Financial help:</b> Contribution to Banjara State Employee Committee for Community Hall at Dandeli. Contribution of traditional artist Gouli at Maynal Village.	Protection of Heritage, Arts and Culture	Yes	Karnataka	Uttara Kannada	0.30	Yes	NA	NA
6.	<b>Making Available Safe Drinking Water:</b> Providing drinking water & maintenance of supply system at 7 downstream villages: Kerwad, Sakkalaga, Karyampalli, Mayanal, Haramaddi, Hassanmal, Harnoda and Saxalli. Providing of RO Water Purifier systems to Schools, Colleges and Hospitals of Dandeli, Haliyal and Joida for providing safe drinking water.	Safe Drinking Water	Yes	Karnataka	Uttara Kannada	33.10	Yes	NA	NA
7.	<b>Eradicating Hunger, Poverty and Malnutrition:</b> Financial assistance to daily wage earners of Dandeli deprived of earning during Covid Lockdown. Distribution of 1000 food kits to poor people of Dandeli during Covid Lockdown.	Health care	yes	Karnataka	Uttara Kannada	30.97	yes	NA	NA
8.	<b>Contributions &amp; Sponsorships for Rural Sports and Nationally Recognized Sports:</b> Contribution to Kolkata South Club for promoting Sports Competition. Sponsorship of Sports Meet at Kolkata for Sports Talent Development.	Sports & Games	No	West Bengal	Kolkata	4.98	Yes	NA	NA
9.	<b>Rural Development Support:</b> Providing Printer, Computer, Inverter, Battery, LED TV & Plastic Chairs to Town & Rural Police Station, Dandeli for benefit of Rural Public and Providing Computer, Printer, Chairs, Almirah to Tehsildar Office Dandeli for benefit of Rural Public.	Rural Development	Yes	Karnataka	Uttara Kannada	3.95	Yes	NA	NA
<b>Total Spent</b>						<b>323.33</b>			



## Annexure to Directors' Report *(Contd.)*

- (d) Amount spent in the Administrative Overheads: ₹ 20.19 Lakhs
  - (e) Amount spent in Impact Assessment, if applicable: Not Applicable
  - (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 353.02 Lakhs
  - (g) Excess amount for set off, if any: **Nil**
9. (a) Details of Unspent CSR amount for the preceding three financial years: **Nil**
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding three financial year (s) : **Nil**
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) : **Not Created or Acquired.**
- (a) Date of creation or acquisition of the capital asset(s)
  - (b) Amount of CSR spent for creation or acquisition of capital asset
  - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
  - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) : **Not Applicable.**

Place: Dandeli  
Date: 24th June, 2021

**Saurabh Bangur**  
(DIN : 00236894)  
Vice Chairman

**Virendraa Bangur**  
(DIN: 00237043)  
Chairman of the CSR Committee



Providing RT-PCR Testing Corridors to Hospitals



Tailoring Training & Sewing Machine Distribution



Providing Covid Kits to Hospitals



Providing Garbage Collection Vans to Dandeli Municipality



Providing Water Purifiers to Schools and Hospitals



Sanitization initiatives in Dandeli



## Annexure to Directors' Report (Contd.)

### PERFORMANCE EVALUATION CRITERIA OF INDEPENDENT DIRECTORS

- |  |  |
|--|--|
| (1) Attending Board/Committee Meetings.  | Act, 2013 and compliance to other requirements of the said Act or other regulatory requirements. |
| (2) Going through the agenda papers and providing inputs in the meetings of Board/ Committees. | For and on behalf of the Board   |
| (3) Guidance to the company from time to time on the various issues brought to their notice.   | Place: Dandeli <b>S. K. Bangur</b>   |
| (4) Discharge of duties as per Schedule IV of the Companies                                    | Date: 24th June, 2021 <i>Chairman &amp; Managing Director</i>                                    |

### Statement Pursuant to section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Requirements	Disclosures			
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	<b>Shri S.K.Bangur</b> Chairman & Managing Director	:	360:1	
		<b>Shri Virendraa Bangur</b> Joint Managing Director	:	29:1	(appointed w.e.f 26.06.2020)
		<b>Shri Rajendra Jain</b> Executive Director	:	47:1	
		<b>Shri Brajmohan Prasad</b> Company Secretary & Compliance Officer	:	4:1	
(ii)	The percentage increase in remuneration of each director, Chief Financial officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<b>Shri S.K.Bangur</b> Chairman & Managing Director	:	-9.14%	(including commission paid during the year pertaining to 2019-20)
		<b>Shri Virendraa Bangur</b> Joint Managing Director	:	--	(appointed w.e.f 26.06.2020)
		<b>Shri Rajendra Jain</b> Executive Director	:	1.90%	
		<b>Shri Brajmohan Prasad</b> Company Secretary & Compliance Officer	:	8.40%	
(iii)	The percentage increase in the median remuneration of employees in the financial year;	The percentage decrease in the median remuneration of employees in the financial year is 7.32.			
(iv)	The number of permanent employees on the rolls of company.	2418			
(v)	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average decrease in salary/wages of the employees was 3.51% (other than managerial personnel) whereas remuneration to managerial personnel decreased by 7.85%.			
(vi)	The key parameters for any variable component of remuneration availed by the directors;	Commission based on profit pursuant to terms of appointment of Shri S.K.Bangur, Chairman & Managing Director.			
(vii)	Affirmation that the remuneration is as per the remuneration policy of the company.	It is hereby affirmed that remuneration paid is as per the remuneration policy of the Company.			



## Business Responsibility Report 2020-21

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L02101KA1955PLC001936
2	Name of the Company	West Coast Paper Mills Limited
3	Registered address	PB No. 5, Bangur Nagar, Dandeli – 581325 District – Uttara Kannada, Karnataka
4	Website	www.westcoastpaper.com
5	E-mail id	co.sec@westcoastpaper.com
6	Financial year reported	1 <sup>st</sup> April 2020 to 31 <sup>st</sup> March 2021
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	I. Manufacture of Pulp, Paper and Paper Board (NIC Code 1701) II. Manufacture of Optic Fibre Cable (NIC Code 27310)
8	List three key products/ services that the Company manufactures/ provides (as in balance sheet)	I. Writing & Printing Paper II. Cup Stock Paper Board III. Optic Fibre Cable
9	Total number of locations where business activity is undertaken by the Company	I. Number of International Locations (Provide details of major 5) - Nil II. Number of National Locations - 2 locations have manufacturing units.
10	Markets served by the Company – Local / State / National / International	Local/State/National/International markets India – 75 Dealers and 6 Zonal Offices. International – 10 Countries.



## Annexure to Directors' Report (Contd.)

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	1321 Lakhs
2	Total Turnover (INR)	136182 Lakhs
3	Total Profit after taxes (INR)	204.73 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR for the year ended 31 <sup>st</sup> March, 2021 was ₹ 353.02 Lakhs which is 1.26 % and transferred to unspent special account for ongoing project was ₹ 206.38 Lakhs which is 0.74% of the profit after tax.
5	List of activities in which expenditure in 4 above has been incurred	Please refer Annexure to Board's Report for details on CSR initiatives undertaken by the Company.

### SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company / Companies?	1. Andhra Paper Limited (APL). 2. West Coast Opticable Limited (WCOL).
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).	No, the Subsidiary Companies do not participate in the BR initiatives of the Company.
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%].	The Company has not mandated any Supplier, Distributors etc., to participate in the BR initiatives of the Company.

### SECTION D: BR INFORMATION

#### 1. Details of Director/Directors responsible for BR

##### a) Details of the Director/Directors responsible for implementation of the BR policy/policies

1	DIN Number	07250797
2	Name	Rajendra Jain
3	Designation	Executive Director

##### b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	07250797
2	Name	Rajendra Jain
3	Designation	Executive Director
4	Telephone Number	08284 – 231391
5	E mail ID	rajendra.jain@westcoastpaper.com



## Annexure to Directors' Report (Contd.)

### 2. Principle-wise (as per NVGs) BR Policy / policies

Principles	Description	Company's Policy
P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability.	Code of Conduct, Whistle Blower Policy
P2	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	QEHS Policy
P3	Business should promote the well-being of all employees.	HR Policy, Prevention of Sexual Harassment at Workplace (SHAW)
P4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.	CSR Policy
P5	Business should respect and promote human rights.	CSR Policy
P6	Business should respect, protect and make efforts to restore the environment.	QEHS Policy
P7	Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	Code of Conduct
P8	Business should support inclusive growth and equitable development.	CSR Policy
P9	Business should engage with and provide value to their customers and consumers in a responsible manner.	QEHS Policy

#### (a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Most of the policies are aligned to various standards like ISO 9001 (Quality Management System), ISO 14001 (Environment Management System), ISO 45001 (Occupational Health & Safety Management System).								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Copies of the policy will be made available on receipt of written request from stakeholders.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	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	Y





## Annexure to Directors' Report (Contd.)

9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievance related to the policy/ policies?	Y	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?	The policies are evaluated internally from time to time and updated whenever required.								

**b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
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 within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify )									

### 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 does not have a Committee of Board specifically for dealing with this matter. However, aspects of Business Responsibility are being reviewed by various other committees of the Executives/Board from time to time.

- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, starting from financial year 2019-20, we started publishing the Business Responsibility Report along with our Annual Report once in a year. The hyperlink is <http://www.westcoastpaper.com/investors/>.

### SECTION E: PRINCIPLE-WISE PERFORMANCE

**Principle 1: Businesses should conduct and govern themselves with 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/NGO's/Others?**

The Company is committed to highest standards of corporate governance practices within the organisation. It forms an integral part of our values, ethics and business practices which is aimed at creating and enhancing long term value of stakeholders. The Policy relating to Ethics, Transparency and Accountability is the backbone of our Company and guides the operations of the Company alone. The Policy includes Code of Conduct which applies to the Directors and the Senior Management of the Company. A Whistle Blower Policy/Vigil mechanism is also in place, which provides opportunity to all stakeholders to report any concerns/issues/incidents about unethical behavior, actual or suspected fraud or violation of the code of conduct or policies.

**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.**



## Annexure to Directors' Report (Contd.)

Eight investor complaints were received during the financial year ended 31<sup>st</sup> March 2021, all of which were promptly resolved to the satisfaction of the investor concerned. Customer complaints have been covered under Principle 9. No other stakeholder complaints from depositors, vendors, dealers etc. were received; all queries were promptly responded to the stakeholder concerned.

### Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

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

The Company's Paper Division produces well established brands of commercial and premium grades of paper and boards ranging from 52 to 600 GSM, catered across six different product segments namely writing, printing, business stationary, specialty, industrial and packaging. The Company is constantly focusing on development of products and customer satisfaction.

The Company is committed to harmonizing its business interests with the world's dire need for a clean environment. This conviction of the Company of the need to operate in sync with environmental concerns is enshrined in a comprehensive environment management policy, which is practiced across the organization in all spheres of its activities. Guided by the principle tenet of environment responsibility, the Company manufactures paper and boards using raw material and technology that protects the earth's natural resources and bio-diversity for generations to come.

The Company is also committed to green production, resource conservation, and responsible waste management. This commitment of the Company has reflected in its '*minimum impact-best process*' technology that involves green production, resource conservation, responsible waste management and a reduced pollution load, as its core dimensions.

#### 2. For each such product, provide the following details in respect of resource use (energy, water,

#### raw material etc.) per unit of product (optional):

##### a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

The Company believes that optimizing production efficiency delivers value to customers and minimizes environmental impact, therefore driving the Company towards the goal of long-term sustainability.

**Raw material:** The wood consumed per ton of pulp has increased from 4.29 MT/MT in FY 2019-20 to 4.38 MT/MT in FY 2020-21.

**Energy:** Total energy consumed per ton of product has increased from 1277 Kwh/MT in FY 2019-20 to 1376 Kwh/MT in FY 2020-2021.

**Water:** Water consumption per ton of product has increased from 63 M3/MT in 2019-20 to 74 M3/MT in 2020-21.

The working of the plant was adversely impacted due to intermittent plant running at lower capacity as there was less demand in the market due to COVID.

##### b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Owing to the nature of the product, it is not feasible to identify the reduction during usage by consumers.

#### 3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

##### a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company sources pulp wood through Private parties, Captive Plantation & Farm forestry model and Government of Karnataka (KFDC & KSFC). Pulp wood is certified by FSC-COC and FSC-CW certification which ensures that paper manufacture from wood is managed socially and environmentally in a responsible way. Captive Plantation and Farm



## Annexure to Directors' Report (Contd.)

Forestry activity of the Company are managed by Society for Afforestation, Research and Allied Works (SARA), promoted and supported by the Company.

#### 4. Has the Company taken any step to procure goods and services from local and small producers, including communities surrounding their place of work?

##### (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company focuses on increasing plantations on farmers land in nearby areas under Farm Forestry thereby generating local employment and enabling local procurement of pulp wood. Plantation team distribute leaflets, pamphlets, share videos and impart practical field training by demonstrations along with focused group discussions with farmers through village level meetings. This helps them selection of better suitable clone.

The Company encourages local job contractors for maintenance work. The Company engages services of local transporters. The Company outsourced to local vendor for paper conversion. Required training is given to local parties from time to time.

#### 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%). Also, provide details thereof, in about 50 words or so.

The Company is committed to manage the environmental impacts of its activities, products and services along with reducing environmental impact via waste minimization and re-use, recycle and reduce.

All wastes generated in are 100% recycled and reused as detailed below.

- a) Wood dust generated during chipping process is used in the boiler as fuel to generate steam and also sold to outside as a fuel.

- b) Fibrous ETP Sludge is used by external party for manufacturing egg tray and packaging board.
- c) Fly ash generated during the boiler operations is used by bricks manufacturing units.
- d) During the Paper/Boards finishing, waste paper / cutting generated are re-pulped and reused in the paper making.

#### Principle 3: Business should promote the wellbeing of all employees

##### 1. Please indicate the Total number of employees.

- 2418 Nos. Permanent

##### 2. Please indicate the Total number of employees hired on temporary/contractual / casual basis.

- 1343 Nos. Contract

##### 3. Please indicate the Number of permanent women employees.

- 22 Nos.

##### 4. Please indicate the Number of permanent employees with disabilities.

- 02 Nos.

##### 5. Do you have an employee association that is recognized by management?

The Company has 6 recognized Labour Unions. The Joint Negotiation Committee (JNC) is formed by conducting election for deciding the representative character of unions through secret ballot. The JNC is the sole bargaining agent who represents all the workmen. The Settlement negotiated by the JNC with the Management is binding and acceptable to all the workmen including the members of the other Unions.

##### 6. What percentage of your permanent employees is members of this recognized employee association?

Permanent workmen and Staff up to IV Cadre: 100%



## Annexure to Directors' Report (Contd.)

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.

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

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the year ended on 31<sup>st</sup> March,2021?

- Permanent Employees \*
- Permanent Women Employees\*
- Casual / Temporary / Contractual Employees\*

(\* Due to COVID-19, restriction of social distancing, very few training programs were held)

The Company gives lot of importance making "SAFE WORK PLACE". All employees have to compulsorily undergo Safety Training. Specific safety modules have been designed. Tool Box Talk, Safety observation, Safety suggestions are regularly practiced to improve work condition and behavior improvements.

The Company conducts on job training and class room training programme for technical and behavior skill upgradation. In house trainers, National Board of Workers Education, Bangalore, OEM Suppliers experts conducts various programme on regular basis for skill upgradation.

**Principle 4: Businesses should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

1. Has the Company mapped its internal and external stakeholders? Yes/No.

Yes. The Company mapped with its all stakeholders. The business revolves around stakeholders, right from suppliers to customers, shareholders to communities, government to workforce and contractors. Engagement with the mapped

stakeholders is an on-going process which takes place through various formal and informal channels.

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

The Company is committed to the welfare of marginalized and vulnerable sections of the society. It engages with its stakeholders on an on-going basis. The Company has mapped disadvantaged, vulnerable and marginalized stakeholders viz., communities in and around the areas of its significant operations, and is actively working towards their inclusive growth.

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

The Company runs initiatives in the areas of health care, sanitation, providing safe drinking water, education, skill development and infrastructure development. All initiatives are directed towards helping neighbouring communities, including disadvantaged, vulnerable and marginalized stakeholders. During the year the Company runs the COVID 19 pandemic protocol awareness program to the neighbouring communities.

**Principle 5: Businesses should respect and promote 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 / NGO's/others?

The Company supports and respect the internationally



## Annexure to Directors' Report (Contd.)

recognized principles and guidelines for human rights. The Company does not hire child labour, forced labour or involuntary labour.

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

No complaints relating to human rights were received during the financial year.

### Principle 6: Businesses should respect, protect and make efforts to restore the environment

#### 1. Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGO's / Others?

The policy relating to respecting, protecting and restoring the environment covers the Company only. However, the Company encourage its suppliers, contractors and customers to take environment friendly measures in their day to day activities for sustainable operations.

#### 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 web page etc.

The Company is committed for environmental protection and thus the facility has implemented robust environmental monitoring programs to achieve the regulatory compliance and beyond in the existing facility.

The Company is committed to address global environmental issues such as climate change, global warming and reducing emission etc. through various proactive initiatives to minimize its impact.

The Company has adopted energy efficient technologies and achieved specific energy consumption targets sets by Bureau of Energy Efficiency from time to time as per PAT cycles. BAT and cleaner technology were adopted keeping an environmental footprint improvement and energy efficient process. All projects while conceptualizing, are reviewed from energy and environment perspectives along with quality and process improvements.

#### 3. Does the Company identify and assess potential environment risks? Y/N

The Company upholds its green commitment "SERVING PAPER and yet PRESERVING NATURE". The Company has well established Environment Cell with qualified and well experienced professionals. Environment Cell is regularly monitoring and assessing the environmental risks and accordingly actions are being taken to eliminate it.

In addition to above, the Company is hiring outside environmental professionals from eminent bodies to assess the environmental risk and implementing their suggestions to minimize/ eliminate the same.

As an environmentally responsible organization, the Company committed to clean and green operations for better environment.

#### 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?

The Company is continuously adopting BAT and already has cleaner technology in place. In the recent past, the Company installed 725 TPD New Fiber line, with Ecofriendly Super Batch Cooking, Oxygen Delignification & ECF Bleaching process. The Company has satellite PCC plant manufacturing PCC by using CO<sub>2</sub> from flue gases from Lime Kiln, thereby reducing CO<sub>2</sub> emission.

#### 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.

In order to have better environmental footprints, the Company is always striving to adopt cleaner technology and operating all its operations energy efficiently. Some of the following initiatives have been taken during the year are as under:

- 1) New additional retention towers in bleaching section EOP & D1 stages in pulp mill, to reduce the chemical consumption and reduction in BOD, COD and color of effluent.



## Annexure to Directors' Report (Contd.)

- 2) Installation of Two stage chiller unit in place of single stage old chiller at Chlorine Di-oxide plant to save steam.
- 3) Modification of smelt shutters nozzles & cleaning of primary and secondary Air Heater in ENMAS Recovery Boiler for power & steam saving.
- 4) Installation of VFD for FBC III Boiler F.D. & P.A. Fan and Feed water pump to save energy.
- 5) Replacement of old energy inefficient motors with energy efficient motors & old inefficient steam traps with new efficient steam traps.
- 6) Paper Machine No#2 excess back water filter through Micro filter and use back water for L.P. shower on machine wire part, to save fresh water.
- 7) VFD for process water supply pumps at filter house to supply water to Paper Machine No#6 and fiber line to save fresh water.

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

The emissions and waste generated by the Company are well within the permissible limits of statutory agencies for the Financial Year 2020-2021.

### 7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year.

There is no show cause/legal notice received from CPCB/SPCB, pending as on end of Financial Year 2020-21.

### Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

#### 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:

The Company is member of the following associations:

- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Indian Paper Manufacturers Association (IPMA)

- Indian Pulp & Paper Technical Association (IPPTA)
- Federation of Indian Export Organisation (FIEO)

#### 2. Have you advocated/lobbied through above associations for the advancement or improvement of public goods? 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 Company has been raising various issues like tariff hike, economic/tax reforms, environmental, energy issues, etc. through above mentioned associations.

### Principle 8: Business should support inclusive growth and equitable development.

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

The Company is one of the premier entity and has under taken projects for development and welfare of the society in the fields of Health care (animal health checkup and preventive measure regarding COVID-19), Education and skill development (education initiative, vocational training and infrastructure initiative), Promotion of social activities & creation of infrastructure, Protection of natural resources and sustainability, Protection & promotion of national heritage, traditional arts & social activities, Safe drinking water (maintenance of supply system and providing of R.O units), Eradicating hunger, poverty and malnutrition, Sports & Games and Rural development & support etc.

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

The Programs and projects are undertaken by Company's dedicated C S R Team. The CSR team assesses periodically the requirements of the target areas within the Dandeli – Haliyal- Joida Taluka in particular and Uttara Kannada District in general and co-ordinates with the needy groups/organizations/ health care centers/educational institutions etc and arrange for the required assistance and materials/equipments.



## Annexure to Directors' Report *(Contd.)*

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

The Company conducts an impact assessment through local academicians/NSS team. Based on their observations the Company carry out improvements in the mechanism of budget and implementation of various development activities. The Company takes up fresh assessment study periodically as per requirement.

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

As per details given in Annexure to Directors' Report on CSR.

### 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.

The Company's CSR team regularly interacts with the elected representative of City's Council and Village Panchayaths together with prominent and senior citizen to assess the impact of community development projects undertaken to ensure that the objectives and benefits of these projects are being met. Regular feedback from these persons enables to improve to ensure that the objectives and benefits of these initiatives are met.

### **Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.**

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

Customer complaints received during the year are 66

and pending at the end of the financial year 2020-21 is Nil.

### 2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A/Remarks (additional information).

The Company displays and maintains high standards of communication and information dissemination to ensure full compliance with applicable regulations. The Company complies with all laws and regulations concerning marketing communications. In line with this, the required information as mandated by law is inscribed on the product label of the Company.

### 3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and /or anti- competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

There was no incidence of non-compliance with regulations and voluntary codes concerning product and service information and labelling. Similarly, there are no cases in relation to unfair trade practices, irresponsible advertising and/or violation of any laws during the financial year 2020-21.

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

The Company focused on delivering value to its customers and, therefore, customer satisfaction surveys are carried out on a regular basis. This provides valuable feedback for the Company for providing the best possible service to customers and to continuously improve in its engagement with customers.



## Annexure to Directors' Report (Contd.)

**Information as per Section 134(3) (m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and forming part of the Directors' Report to the members for the year ended 31st March, 2021.**

### (A) CONSERVATION OF ENERGY:

#### (i) Measures taken for Energy Conservation:

1. Installation of VFD for FBC III Boiler FD Fan & PA Fan to save energy at Power House.
2. Flash Steam Recovery from Black Liquor Heat Exchanger flash vessel at Fiber line.
3. Installation of VFD for FBC III Boiler Feed water pump to save energy at Power House.
4. Application of Heat Resistance and Thermal Insulation paint in Paper Machine 2 & 3 Dryer.
5. Installation of Two Stage Chiller Unit in place of Single Stage old Chiller for Steam saving at ClO<sub>2</sub> Plant .
6. Modification of smelt shutters nozzles & cleaning of Primary & Secondary Air Heaters in Enmas Recovery Boiler for steam and power saving.
7. Replacement of 3 numbers time-based water drains by Armstrong Make Zero Air Leak Liquid drains to save compressed air at Paper Machine 1-5.
8. Use of 5 Star energy efficient fans in place of conventional ceiling fans.
9. Using LED lights in place of existing conventional lights for energy saving. (Flood light, Street light, Tube light, Flame proof fixtures).
10. Using transparent roof sheets 10 numbers in Paper Machine 1 & 2 to use day light and save electrical energy during day time.
11. Replacement of 39 No's old & inefficient motors by Energy Efficient (IE2) Motors in various section.
12. Replacement of Mill wide Faulty Steam traps for steam saving.

#### (ii) Steps taken for utilizing alternate sources of Energy:

1. The Company is generating steam from chemical recovery boilers where in Black Liquor Dry Solids (by product of wood) is fired to generate steam and the same is confirmed as Renewable Biomass Source by Ministry of New & Renewable Energy (U&I Group), Government of India vide their letter no. 20/122/2011-U&I dated 09.01.2012. The steam generated from chemical recovery boilers is 48 % of total steam generation of the Mill in the year 2020-21.
2. Using Transparent Roof Sheets in various section of Mill wherever possible to utilize day light during day time instead of Electrical lights. 10 numbers Transparent Roof Sheets used in Paper machine 1 & 2.

#### (iii) Details of investment made on Energy conservation schemes & savings achieved:

Total Investment	: ₹ 442.09 Lakhs
Monetary Benefit	: ₹ 402.60 Lakhs/annum
Steam Saving	: 33029 MT /annum
Power Saving	: 22.24 Lkwh/annum

### B. TECHNOLOGY ABSORPTION

#### (i) The efforts made towards technology absorption:

1. New Down-flow tower at Eop and D1 stage introduced to increase storage capacity and production rate with same chemical consumption .
2. New Shweta chipper of 100T/hr commissioned to enhance chipping capacity.
3. New double effect chiller unit installed and commissioned at ClO<sub>2</sub> plant to reduce chlorine dioxide production loss during summer and reduce steam consumption.
4. Revamping activity of HCL plant is done to reduce the gaseous emission.
5. Plant trial with different defoamers conducted on effluent to minimize foaming tendency of





## Annexure to Directors' Report (Contd.)

- effluent.
6. Successfully conducted the Lab trial of decolorization of combined pulp mill effluent with various combination of PAC and polymers.
  7. Laboratory trial conducted to develop antibacterial paper with wet strength resin and antibacterial coating. This will enable us to enter to Pharma segment of paper market
  8. Laboratory trial for barrier coated paper was successfully done. This will enable to avoid single use plastic in paper cup segment.
  9. New products developed during the Year 2020 - 2021 are :

- Wesco Walkkup
- Lower and Higher gsm Wesco Aqua Base MF
- Wesco Superia

**(ii) The benefits derived like product improvement, cost reduction, product development or imports substitution.**

Improved Productivity, better quality, cost reduction, conservation of valuable raw material & ecosystem and improved customer's satisfaction.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not any**

**(iv) The expenditure incurred on Research and development**

(₹ in Lakhs)

S.No.	Particulars	2020 - 2021	2019 - 2020
1	Capital	5.08	20.98
2	Recurring	28.08	45.11
3	<b>Total</b>	<b>33.16</b>	<b>66.09</b>
4	<b>Total R&amp;D expenditure as a percentage of total turnover</b>	<b>0.02</b>	<b>0.03</b>

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange Earnings and Outgo were ₹ 1,579.49 Lakhs and ₹ 4,832.17 Lakhs respectively (₹ 2,971.73 Lakhs and ₹ 13,836.49 Lakhs previous year).

For and on behalf of the Board

**S. K. Bangur**

Chairman & Managing Director

DIN: 00053237

Place: Dandeli

Date: 24th June, 2021



## Annexure to Directors' Report *(Contd.)*

### DIRECTORS' RESPONSIBILITY STATEMENT

**Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, it is hereby confirmed that-**

- i) In the preparation of the accounts for the financial year ended 31st March 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- ii) The Directors have selected such accounting policies which have been applied consistently and made judgment and estimates that were 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 or loss of the Company for the year under review.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The accounts for the financial year ended on 31st March, 2021 have been prepared on a 'going concern' basis.
- v) The accounts for the financial year ended on 31st March, 2021 has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind As) prescribed under section 133 of the Companies Act, 2013 and under recognized accounting practices and policies to the extent applicable.
- vi) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vii) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

For and on behalf of the Board

**S. K. Bangur**

*Chairman & Managing Director*

DIN: 00053237

Place: Dandeli

Date: 24th June, 2021



## Annexure to Directors' Report (Contd.)

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2021

[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,  
West Coast Paper Mills Limited  
Bangur Nagar, Dandeli – 581325

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by West Coast Paper Mills Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31 March 2021 ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the Audit Period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**);
- (vi) I have reviewed the systems and mechanisms established by the Company for ensuring compliances under the other applicable Act, Rules, Regulations and Guidelines prescribed under various laws which are



## Annexure to Directors' Report (Contd.)

specifically applicable to the Company and categorized under the following heads/groups:

- (a) The Factories Act, 1948 and Rules made thereunder;
- (b) Labour laws and other incidental laws related to Labour and employees appointed by the Company;
- (c) Acts and Rules prescribed under prevention and control of pollution;
- (d) Acts and Rules relating to Environmental protection, energy conservation and hazardous substances and chemicals;
- (e) Acts and Rules relating to boilers, electricity explosives, fire, etc,
- (f) Goods and Service Tax;

### I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following specific comments/ observation/ findings:

1. That the Board of the Company on the recommendation of the CSR Committee considering Ministry of Corporate Affairs General Circular No.01/ 2016 dated 12.01.2016 and Press Information Bureau, Government of India, Ministry of Corporate Affairs dated 08.03.2016, decided not to carry forward the unspent CSR amount of previous year to Financial Year 2020-21.
2. The entity has appointed One Woman Independent Director on 26th June 2020 in compliance and

accordance with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. However there was delay in appointment due to the Covid-19 Pandemic and lockdown, same information was communicated to stock exchange as reason for delay in appointment of Woman Independent Director vide letter ZZN/SHARE/08 dated 11th April 2020.

### I further report that

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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. Based on the verification of the records and minutes, the decisions at Board Meetings and Committee Meetings were carried out with unanimous consent of the Directors / Committee Members and no Member dissented on the decisions taken at such meetings of the Board of Directors or Committee of the Board, as the case may be.

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

**I further report that** during the audit period, the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place: Bangalore  
Date: 18th June, 2021

**Naman Gurumurthi Joshi**  
Practicing Company Secretary  
M No: F8389, C P No: 9579  
UDIN: F008389C000484766

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



## Annexure to Directors' Report *(Contd.)*

### 'ANNEXURE A'

To,  
The Members,  
West Coast Paper Mills Limited  
Bangur Nagar, Dandeli – 581325

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

1. Maintenance of secretarial record is responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the physical copies of financial records, Books of Account, registers, and documents of the Company due to COVID-19 situation. The report is based on verification of the soft copies of financial records, Books of Account, registers, and documents provided by the Company.
4. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company. For the accounting financial compliance and CSR spending's we have relied on the report of internal auditor Report and statutory auditor Report.
5. I have not verified the correctness, appropriateness of financial records, Books of Account and secretarial documents of the listed subsidiary Company for the accounting, financial, corporate law compliance and CSR spending's as we have relied on the Secretarial Audit report of the Secretarial Auditor and the same should be considered for records.
6. I have not verified the correctness and appropriateness of financial records and Books of Account of the unlisted Wholly Owned Subsidiary Company for the accounting financial compliance and corporate laws compliance.
7. Wherever required, I have obtained the Management Representation about the compliances of laws, rules and regulations as per their representation report has been finalized.
8. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management, my examination was limited to verification of procedures on test basis.
9. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Naman Gurumurthi Joshi**

*Practicing Company Secretary*

M No: F8389, C P No: 9579

UDIN: F008389C000484766

Place: Bangalore

Date: 18th June, 2021

# Management Discussion and Analysis



## A. ECONOMIC SCENARIO

### GLOBAL ECONOMIC OVERVIEW

Global GDP growth is projected to be 6% in 2021 and 4.4% in 2022, with global output rising above the pre-pandemic level by mid-2021. Advanced economies are projected to grow at a pace of 5.1% and emerging & developing economies by 6.7%, through proper pandemic management, effective vaccination rollouts and continued monetary policy accommodation.

### INDIAN ECONOMIC REVIEW

India's GDP (Gross Domestic Product) growth is expected to be in the range of 7.5% to 12.55% during FY 2021-22. For the fiscal year 2020-21, GDP contraction is estimated at 8% as against growth of 4% during FY 2019-20.

#### Over the next 2 years the country is expected to steer growth backed by:

- India vaccinates a significant proportion of the population by mid-FY 2022, thereby bending the infection curve. Fatigue among consumers and higher confidence in the revival results in stronger demand.
- Multiple infection waves impact fewer pockets of the country and have a limited impact on the economy.
- Businesses increase capex to build capacity as potential demand moves faster than supply, leading to faster inventory reduction.
- Government reforms and schemes take effect as spending boosts investor confidence. Spending on infrastructure has a multiplier effect on jobs and

income.

- Financial sector health remains strong despite higher non-performing assets (NPAs) in a few industry pockets. Credit growth improves with improved willingness among banks to lend.
- Net foreign direct investments (FDIs) since the pandemic have defied every possible prediction, and the trend has remained firm throughout.
- Global economies witness synchronized growth. The Asia-Pacific region grows at a fast pace, led by China and India.
- The rebound in the United States is stronger than the rebound in the European Union due to slow vaccine deployment in the latter.







# Management Discussion and Analysis *(Contd.)*

## B. INDUSTRY STRUCTURE AND DEVELOPMENT

### GLOBAL PAPER INDUSTRY OVERVIEW

The role of paper remains important in the digital age, with this ubiquitous material still used daily for many purposes worldwide. In fact, the global production of paper and board totals more than 400 million metric tons during 2020-21 and is expected to reach 461 million metric tons during 2029-30 (Source: statista.com). The most produced type of paper is packaging paper and board, which has been growing in demand in recent years due to the online shopping boom.

#### Why paper is poised to survive globally?

-  Increased Online Sales
-  Higher Packaging Demand
-  Light weight Packaging
-  Recyclable Products
-  Hygiene Products
-  Packaging for Food
-  Anti-Plastic Sentiments



The COVID-19 pandemic has accelerated the rapid decline of the paper industry. This also acted as a massive restraint on the paper products manufacturing market in 2020 as supply chains were disrupted due to trade restrictions and consumption declined due to lockdowns imposed by governments globally. Steps by national governments to contain the transmission have resulted in halting of manufacturing activities and a decline in economic activity with countries entering a state of lockdown. This, along with several industries and business

activities adapting to the situation by becoming virtual limited the usage of paper. Although the silver lining is seen in the packaging segment growing rapidly, as people started putting orders through e-commerce portals. With gradual reopening of economies, writing & printing paper segments have started seeing gradual uptick in demand.

The global paper products market is expected to recover from the crisis and grow from \$837.6 billion in 2020 to \$885.6 billion in 2021 at a compound annual growth rate (CAGR) of about 5%. The growth is mainly due to companies rearranging their operations and recovering from the COVID-19 impact. The market is then expected to reach \$1080.4 billion in 2025 at a CAGR of 5%. Asia Pacific is the largest region in the global paper products market, accounting for 35% of the market in 2020. North America is the second largest region, accounting for 26% of the global

market. Africa is the smallest region in the global paper products market.

The global paper industry witnessed a huge rise in waste paper and pulp prices. The Northern Bleached Softwood Kraft (NBSK) pulp prices averaged at USD 625 per tonne during FY 2019 touched USD 807 per tonne in February 2021. This growth was attributed to high demand and logistics disturbances in the international market. Also, no usage of wastepaper by China since the start of 2021 is believed to have supported the price rise.

### INDIAN PAPER INDUSTRY OVERVIEW

Demand for paper is growing, also due to an increase in demand for packaged products. The paper industry of India is providing employment to 0.5 million people directly and 1.5 million indirectly. Paper consumption in India is approximately 22.05 MT (Source: Ministry of Commerce & Industry, Govt. of India). In addition, it is expected to reach 23.5 MT by 2025. India's per capita consumption of paper is about 15.75 kg, which is far lower than the world average of 57 kg (Ministry of Commerce & Industry, Govt. of India). This indicates considerable headroom for the growth of the sector in order to reach the world average per capita consumption. Annual turnover of the paper industry is expected to be Rs.75,000 Crores (Source: paperexpo.com) and it contributes Rs.5,000 Crores to the exchequer.

The role of paper remains important in the digital age, with this ubiquitous material still used daily for many purposes worldwide.



## Management Discussion and Analysis (Contd.)

### How paper industry in India is characterised:

**Core:** One of the core industries in India, and a catalyst of economic growth.

**Cyclical:** Prices of paper are linked to global prevailing raw material prices and price of finished product. This industry is also highly cyclical in nature. Unchecked imports can prevent companies from passing on the increase in raw material prices.

**Varieties:** Paper producers and products are classified as per the infrastructure and prime raw material used. A large chunk of paper is produced with a combination of wood & waste products and they are classified as big-mills. Medium and smaller mills use waste paper and agriculture waste as prime raw material. Based on applications paper is categorised into Writing & Printing paper; Packaging grade paper; Newsprint paper; Speciality paper and Tissue paper.

**Consolidation:** Indian paper industry could witness a round of consolidation and co-operation among various players in the next few years to collectively leverage fast changing manufacturing technologies and smoothen backward integration for raw materials.

### Domestic paper and paper board segment produce all the main varieties of paper that are in demand in the market.

#### Writing and Printing paper

Caters to textbooks, copier papers, notebooks, brand promotion in forms of coated paper, etc. and forms 35% total requirement of the industry

#### Packaging grade paper including Kraft paper

Caters to tertiary and flexible packaging purposes in industries such as FMCG, food, pharma, textiles etc. and forms 55% total requirement of the industry

#### Newsprint

Serves the newspaper & magazines industry and forms 5% total requirement of the industry

#### Specialty paper

Serves the need of cheque printing, manuscript making, agreements & certificates printing, etc. and forms 4% total requirement of the industry

#### Tissue paper

Serves as paper handkerchiefs for facial & toilet purpose and usage trend growing y-o-y basis due to emphasis on hygiene and it forms 1-2% total requirement of the industry

#### Writing and Printing paper :

Education sector constitutes to the 60% of the demand of writing and printing paper. India's share in the global writing and printing paper was 4% in 2014 (3.56 million in absolute terms) and by 2024, it is expected to be around 11% (currently at 7.3%), thereby being the only major market in the world to grow in the writing and printing paper segment. Today, with 16% of world population, India's share in paper demand is a mere 4.3%. Business communication industry comprises the 28% demand of the coated paper and rest is occupied by office stationery & copier segment. The

prices of Writing and Printing paper has seen an upwards trend since the demand for paper started increasing after various stages of unlocking in our country. Maplitho paper has seen an increase of 15-18% and coated paper rates have increased by 45-50%. Although the demand for writing and printing paper has reduced by 20-22% since the beginning of Covid-19 pandemic, its demand is correlated to population growth, literacy rates, private and public spending on education, increasing expenditure on advertisements by corporates and change in income distribution. This will lead to greater demand for



## Management Discussion and Analysis (Contd.)

high value product segments such as coated paper, maplitho and copier.

**Packaging grade paper :** The Paperboard in India are expected to grow at CAGR of 5.3% during 2021-2026. This market is growing rapidly owing to the higher growth of food and beverages, cosmetics, and other industries in India. The Indian packaging industry is expected to grow at a CAGR of 18% during 2021-26. Covid-19 may have derailed this growth considerably; however, certain manufacturing sectors, such as pharmaceuticals, packaged food and beverages, functional food and hygienic products among the FMCG, have been less affected by the crisis, and have rather seen a sizeable growth both in demand and in production, raising the demand of packaging. Moreover, different government initiatives to reduce plastic wastes are also influencing the growth of this market.

### Raw material concerns

The availability of raw-material has always been a matter of concern for the Industry. Against the current demand of 11 million TPA for pulpable wood by paper Industry, domestic availability is 9 million TPA only. The projected demand is expected to

increase significantly, and hence the Industry has been requesting the Government to allot degraded revenue and forest lands. This will not only fulfil the requirement of raw-material, but also would result in employment generation for rural unskilled population. However, the government has not considered the request. Nevertheless, the Industry in general has taken initiatives by taking up Farm / Social Forestry programme whereby plantation is taken in a big way on the unproductive revenue land and thus generating not only income to the farmers but also providing employment to the rural unskilled population.

Major Paper producing countries of Latin America, Europe and Asia, including China, Indonesia, Malaysia, etc., have adopted a policy of granting forest concessions to large Paper Mills to plant, protect and harvest pulpwood in a cost effective manner. In absence of similar enabling policies, Paper Mills in India have to necessarily depend upon small and scattered plantations developed through Industry's social forestry initiative or Government controlled forests. In the process, the cost of collection and transportation increase significantly. As a result, cost of raw-materials in

India has been continuously going up and has become most uncompetitive in comparison to the major paper producing countries in the world.

Given the above status of availability, the Industry is facing severe shortage of wood apart from continuously increasing cost of procurement particularly in the context of unplanned expansion by the Industry without raw-material back-up.

### INDIAN CABLE INDUSTRY OVERVIEW

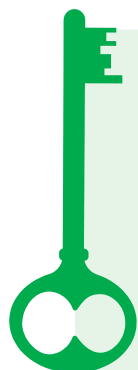
The Indian optical fiber market size was valued at \$461.6 million in 2019-20 and is projected to reach \$1.66 billion by 2026, growing at a CAGR of 17.2% from 2019 to 2026. The country's optical fiber-based network spans across 28 lakh kilometers as against the target set up by the National Broadband Mission to deploy as much as 50 lakh kilometers of optical fiber by 2024 (Source: Comsoc). In the Union Budget 2021-22, the Government allocated Rs.14,200 Crores (1.9 billion USD) for telecom infrastructure that entails completion of optical fibre cable-based network for Defence services, rolling out broadband services in 2.2 lakh panchayats and improving last mile connectivity in the North-East.

## C. OPPORTUNITIES AND THREATS

### WHY PAPER IS POISED TO GROW IN INDIA AND THEIR THREATS



**Literacy:** A vast population of our country is below-18. A majority of them stay in the rural portion of India. With the government's continued focus on education it allocated a total sum of Rs.93,224.31 crore allocation towards the education sector in Budget 2021-22. The total allocation stood at Rs.54,873.66 crore for school education and Rs. 38,350.65 crore for higher education, through Rashtriya Uchchar Shiksha Abhiyaan (RUSA), Sarva Shiksha Abhiyan (SSA), Beti Bachao Beti Padhao, Right to Education, Scheme for Providing Quality Education in Madrassas (SPQEM), Rashtriya Madhyamik Shiksha Abhiyan





## Management Discussion and Analysis (Contd.)

(RMSA), Saakshar Bharat (Adult Education), the education sector is going to provide the biggest boost in demand for the writing and printing paper segment along-with households allocating majority of their incomes on children's education. Also, with education institutions are likely to begin upcoming academic sessions (around June 2021) physically at least for higher class students the paper industry is likely to come out of covid-19 blues and post a robust demand.

**Threats:** Pandemic situation has tilted the mode of education towards digital as a new medium. With easy storage of large amounts of education material on the computer and the comfort of education through home (at least for higher and distant education), demand for paper is going to be on a slippery side in the short-term.

**E-commerce boom:** 60% of the population of our country is below 40 years. They are mobile and have increased income levels and high spending power. They have a preference for recognisable

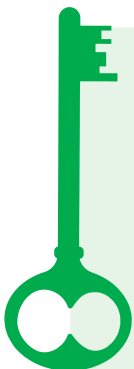
brands. According to Boston Consulting Group (BCG), fashion is the first category that most Indians (28%) buy online; mobile phones follow at 20%. BCG study shows that 50% of those who buy online are from Tier II and smaller cities. Since the pandemic induced a tectonic shift of working from the comfort of home and closure of many retail stores, digital played a great medium in the buying pattern of the consumers. The growth of the e-commerce industry has a direct impact on the paper and paperboard container and packaging industry. Packaging plays a major role in the first impression that consumers have of brands. Therefore, most brands try to differentiate themselves by offering various types of packaging, such as paper and paperboard containers and specialized corrugated containers. Thus, the growth of the e-commerce industry will increase the demand for paper and paperboard container and packaging.

**Threat:** With rising digital influence and lockdowns due

to the pandemic, although the buying pattern of consumers increased but that was limited to essential commodities. Complete halt on non-essential commodities sales resulted in lower demand for overall packaging demand.

**Paper vs Plastic:** Increasing trend in the e-commerce space will use higher packaged paper for delivery purposes. Also, due to the ban on one time use of plastic bags, food delivery apps have started using packaged paper for delivery purposes which could lead to higher demand for packaged paper. Paper cups and paper-based straws are also quickly finding high relevance in the food & beverage industry in comparison to such types of plastic materials.

**Threat:** The paper industry is cyclical in nature and incumbents are exposed to volatility in raw material prices, which could result in the final pricing of the end product. Food grade packaging board prices have increased by 65% from Q2 of 2020-21 to Q4 of 2020-21.



### HOW CABLE INDUSTRY IS GOING TO SURVIVE IN INDIA AND ITS THREATS

**Cable industry:** The US has installed over 400 million km of fibre for less than one-third of Indian population and China has over a billion km of fibre, while India has deployed only about a 100 million km; i.e. just a tenth of what they have achieved. While India deploys only 15 million km of fibre per year, China adds about 150 million km of fibre per year. China installs more optical fibre annually than total installed capacity of India. But rise in need for fast and improved networking and network services and an increase in penetration of broadband connections in India are anticipated to be the major drivers of the India optical fiber market growth. Moreover, rise in demand for optical communication and sensing



## Management Discussion and Analysis (Contd.)

applications for different purposes, high demand for optical fiber cable (OFC) in the IT & telecom sector, 5G deployment, increase in internet penetration, and surge in adoption of fiber to the home (FTTH) connectivity make way for the industry growth. Rising government investments in fiber optic network cable (OFC network) infrastructures are expected to present major opportunities

for India optical fiber market expansion. The Indian government has been investing in OFC network infrastructure to increase internet penetration across the country, which is in line with the government's initiatives such as Digital India and Smart Cities Mission.

**Threat:** The market is competitive with few barriers to capacity

expansion by existing players. Most of the contracts are finalised through the competitive bidding process, therefore, product pricing become an important factor. Cyber security incidents include data theft, ransomware (monetary/reputational losses) and business interruption by malware, phishing and availability of IT systems also poses a threat to the overall reliant digital upgradation in our country.

### D. SEGMENT-WISE PERFORMANCE

The Company operates in two business segments – Paper / Paperboard (including Duplex Board) at Dandeli and Telecommunication Cables at Mysore, besides having Wind Mills of 1.75 MW capacity in Tamilnadu for power generation. Detailed segment-wise performance is mentioned in the Directors' Report.

### E. OUTLOOK

#### PAPER DIVISION

The impact of COVID-19 2nd wave has very badly affected paper market sentiments, more particularly writing & printing segment. The situation has gone adverse from April 2021 and is continuing to decline further. Most of the states have imposed Lockdown conditions making business activities standstill. This 2nd wave is more deadly than 1st wave and will impact overall paper demand in 1st quarter to a large extent and 2nd quarter of 2021-22 to some extent. There are apprehensions of 3rd wave also and if that happens, that quarter will also be impacted badly. Although vaccination drive is in full swing but looking to India's population, it will take a longer period to cover most of the citizens with vaccination. Looking to all these factors, the outlook for W/P segment may be impacted this year. Digitisation in education sector and giving emphasis for on line classes in education sector, cancellation of school examinations are some of the factors which will impact overall demand of maplitho paper segment in 1st half of this financial year. However, for cup stock and industrial grade products, demand will revive again after the normalcy returns. We expect demand of W/P segment to revive after normalcy returns and the growth prospects would be better in 2nd half of 2021-22.

The Paper Industry is cyclical in nature and its performance depends on the global pulp and paper demand supply situation. However, the Company has a well-diversified product base, which partially insulates it from the imports and cyclicity. The Company has developed new product variants to improvise its product mix

and capture new markets. Further, the launch of Plastic free coated cup stock paper board will open new avenues for the Company with tremendous opportunities in the wake of single use plastic ban drive of the Central Government as well as ban by various State Governments. This segment having double digit growth prospect augurs well for increasing the market share in this segment.

The Company has been investing heavily into modernizing equipment, improving quality, and developing personnel to maintain its position as one of leader. The Company has fully integrated paper and pulp facility, right from processing pulp from the woods to using captive power source. This helps the Company manage the cost effectively. The size and scale of the operations gives us an edge in sourcing raw materials as well as in transporting finished goods at best possible rates. The scale benefits and improved productivity and efficiency that we have brought in the Company over the last few years has helped us to improve profitability.



## Management Discussion and Analysis (Contd.)

With optimum capacity utilization, good demand outlook and progressive shift into environmentally friendly and value-added products; the Company is expected to sustain its growth prospects.

### CABLE DIVISION

**OFC division:** We are expecting a decent growth of 40-50% in the next couple of years for Manufacture and supply of OFC. Several tenders on the cable supply got deferred during last financial year and we are hopeful of these tenders floating in the current financial year. We are also venturing into different types of cables such as FTTH, Dry cable and Ribbon cable to expand our presence.

**Fibre division:** We have obtained the approvals from Central govt regarding subsidy of our Draw Tower project for backward integration of our Cable division to manufacture optical fibre. We have floated enquiries pertaining to Civil, PEB and Machineries. We would like to inform that there is a minor delay in the project due to the Pandemic issues.

**EPC division:** We have successfully completed pilot EPC project for laying cables and are fully geared up for taking up large projects, comprising of turnkey supplies and installations. We are expanding the EPC team to execute 2-3 large projects in next 2 years.

### F. RISK AND CONCERN

The Company has derived 94.07 % of its revenue from Paper/ Paperboard and Cup stock Board business and 5.92% from Cable business in 2020-21.

The availability of desired quality

conventional raw-material is a matter of concern and thereby causes pressure on raw material procurement prices. Threat from excessive inflow of imported paper at cheaper price will continued to be there in near future.

However, the company is fully geared to take advantage of single use plastic ban drive of the Govt. authorities and is in the process of developing some substitute paper products to take new market share.

Regarding Charter on Corporate Responsibility for Environmental Protection (CREP) guidelines which was launched in 2003, the Company has already taken the required actions to implement the same and all the parameters are well within the guidelines.

The Company has state-of-art Effluent Treatment Plant and has gone for 100% Elemental Chlorine Free bleaching from 2010. It is also meeting all the norms as prescribed under Environment Protection Act, 1986 and other environmental laws as well as CREP requirement consistently.

The Company have implemented various actions to reduce water consumption in the Mills. Further actions have been taken to reduce the specific energy consumption to meet the norms prescribed under PAT-Cycle -II.

### G. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control system for business processes with regard to efficiency of operations, financial reporting and controls, compliance with applicable laws and regulations etc., clearly defined roles and responsibilities for all managerial positions have also been institutionalized. All operating parameters are monitored and controlled. Regular internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors periodically reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening these.

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5) (e) of the Companies Act, 2013. For the year ended March 31,2021, the Company has sound IFC commensurate with the nature and size of its business operations and is operating effectively and no material weakness exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

The Committee members review performance of the Statutory Auditors and Internal Auditors and take note of adequacy of the Internal Financial Control System.

### H. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

This has been dealt with in the Directors' Report.



## Management Discussion and Analysis (Contd.)

### I. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company imparts specialized and technical training to its employees at regular intervals, which enrich their knowledge, skill and competency to perform their job effectively and

efficiently. Due to COVID 19, restriction of social distancing, very few training programs were held during the year.

During the year, the Company's industrial relations are cordial. The Company has entered into tripartite long-term wage revision settlement with Joint Negotiation Committee

(JNC) of Unions on 04.05.2016 for the period from 01.01.2015 to 31.12.2018. Process of tripartite long-term wage revision settlement with Joint Negotiation Committee (JNC) of Unions is going on from 01.01.2019.

The Company employed 2,418 employees as on 31st March, 2021.

### J. DETAILS OF SIGNIFICANT CHANGES IN THE KEY FINANCIAL RATIOS (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR):

S. No.	Particulars	F Y 2020-21	F Y 2019-20
1.	Interest Coverage Ratio (No of times)	3.08	7.34
2.	Operating Profit Margin (%)	13.96	24.27
3.	Net Profit Margin (%)	0.15	13.94
4.	Return on Net Worth (%)	0.16	21.33

Due to COVID 19 and frequent lockdown in several part of the country, the sales and profit of the Company for the year has got impacted and resulted in adverse impact on all profit margin ratios.

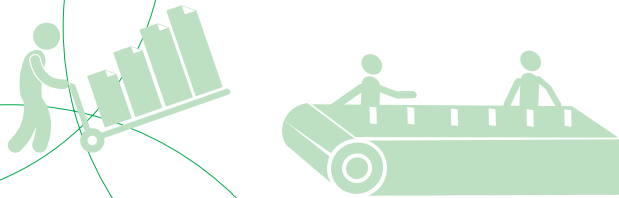
#### CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis describing the Company's

*objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could 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, finished goods prices, raw material cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.*

## Report on Corporate Governance



**A report on Corporate Governance for the financial year 2020-21 is set out in the compliance with Corporate Governance requirements as stipulated under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

### **1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

It is the consistent conviction of the Company that sound and strong corporate governance standards lead to durable sustenance of business and generate long term value for all stakeholders ensuring the robust health of the corporate entity. In pursuance of this, the Company has been passionately pursuing good corporate governance practices based on professional excellence, business ethics, and transparency which operate within the accepted norms of propriety, equity, fair play and a sense of justice. While the Company's compliance of legislative and regulatory requirements is total and absolute, the Company believes that good corporate governance goes much beyond the mere fulfilling of statutory requirements but, is also a projection towards the sound formulation of a distinct corporate culture. The Company further presumes that corporate governance is more about creating organizational excellence leading to increased customer satisfaction and stakeholder value.

The Company's highly professional and responsive Board of Directors is composed of eminent thought-leaders and seasoned stalwarts drawn from diverse fields ensuring extensive deliberation and expertise which have bearing on the process of decision-making. Accountability and transparency are the key drivers behind the Board decision-making which inspires stakeholder's confidence. Openness and transparency of the Company's corporate governance are reflected in the exhaustive disclosures made in the Company's annual report with a view to sharing information with stakeholders, investors, analysts, and competitors.

## Report on Corporate Governance (Contd.)

### 2) BOARD OF DIRECTORS

#### i) Composition of the Board:

The Company's policy is to have an appropriate mix of promoters, executives and independent directors to maintain the independence of the Board. The Board comprises-

- Four Promoter Directors, including Chairman & Managing Director, Vice Chairman and Joint Managing Director.
- Five Independent, Non-Executive Directors and
- One Non-Promoter, Executive Director.

#### ii) Category, Attendance & Other Directorship

The number of other Directorships, Memberships of other Board Committees of which he/she is a member/ chairperson as on date and attendance in Board Meetings are as follows:

Name of the Director	Category	Board Meetings Attended	Number of other Director-Ships*	No. of Membership of other Board Committees (*) (**)	No. of Board Committees for which Chairperson (*) (**)
Shri S.K. Bangur	Promoter, Chairman & Managing Director	6	7	2	1
Smt. Shashi Bangur	Promoter, Non-Executive Director	6	5	-	-
Shri Saurabh Bangur	Promoter, Vice -Chairman	5	3	-	-
Shri Virendraa Bangur	Promoter, Joint Managing Director	6	8	2	-
Shri Premal N. Kapadia	Independent Non-Executive Director	6	2	1	1
Lt. Gen. Utpal Bhattacharyya, PVSM, AVSM (Retd.) (Second Term completed on 01.02.2021)	Independent Non-Executive Director	4	NA	NA	NA
Shri Krishna Kumar Karwa (Second Term completed on 01.02.2021)	Independent Non-Executive Director	3	NA	NA	NA
Shri M.P.Taparia (Second Term completed on 01.02.2021)	Independent Non-Executive Director	4	NA	NA	NA
Shri Amitav Kothari	Independent Non-Executive Director	6	3	2	2
Shri Sudarshan Somani	Independent Non-Executive Director	6	2	1	2
Smt. Arpita Vinay (w.e.f.26.06.2020)	Independent Non-Executive Director	5	2	-	-



## Report on Corporate Governance (Contd.)

Name of the Director	Category	Board Meetings Attended	Number of other Director-Ships*	No. of Membership of other Board Committees (*) (**)	No. of Board Committees for which Chairperson (*) (**)
Shri Shiv Ratan Goenka (w.e.f. 29.01.2021)	Independent Non-Executive Director	2	-	-	-
Shri Rajendra Jain	Executive Director	6	1	1	-

\*Excluding private, foreign and companies under Section 8 of the Companies Act, 2013.

\*\*This relates to Audit and Stakeholders' Relationship Committees only.

**All Directors of the Company have attended Annual General Meeting held on September 28, 2020 through Video Conference.**

**iii) (a) Name of the other listed entities where person is a Director and category of Directorship as follows:**

Name of the Director	Name of Listed Entities	Category of Directorship
Shri S.K. Bangur	1) Jayshree Chemicals Ltd.	Promoter, Non-Executive Chairperson
	2) Andhra Paper Limited	Chairman and Managing Director
Smt. Shashi Bangur	Nil	Nil
Shri Saurabh Bangur	1) Andhra Paper Limited	Joint Managing Director
Shri Virendraa Bangur	1) Jayshree Chemicals Ltd.	Promoter, Non-Executive Director
	2) Taparia Tools Ltd.	Non-Executive - Non-Independent Director
	3) Andhra Paper Limited	Non- Executive Vice- Chairman
Shri Premal N. Kapadia	1) Alkyl Amines Chemicals Ltd.	Non-Executive - Non-Independent Director
	2) Kaira Can Co. Ltd.	Promoter, Non-Executive Director
Shri Amitav Kothari	1) Kanoria Chemicals Ltd.	Independent Non-Executive Director
	2) Kiran Vyapar Ltd.	Independent Non-Executive Director
Shri Sudarshan Somani	1) Starteck Finance Ltd.	Independent Non-Executive Director
	2) Andhra Paper Limited	Independent Non-Executive Director
Smt. Arpita Vinay	Nil	Nil
Shri Shiv Ratan Goenka	Nil	Nil
Shri Rajendra Jain	1) Andhra Paper Limited	Non-Executive - Non-Independent Director

**(b) Following skills/expertise/competencies identified by the Board in the context of Company's business/ sector and those actually available with the Board**

West Coast Paper Mills Limited is a paper manufacturing company, in view of the sector and context of the business, the Board has identified following skills/ expertise /competencies:

- i) Professional Qualification such as: CA/CS/CWA/BE/MBA/LL.B/LL.M/B.Tech./M.Tech. etc.
- ii) Educational Qualifications such as BA/B.Sc./B.Com/MA/M.Sc./M.Com etc. having the knowledge and experience in the particular field.
- iii) Industrialist having vast knowledge and good experience of management, administration and having knowledge of pulp and paper.





## Report on Corporate Governance (Contd.)

- iv) Any other professional or educational qualification having well experience in Foreign Exchange/FOREX dealings/Export/Import.

**(c) Names of directors who have such skills / expertise / competence:**

<b>Names of the Director</b>	<b>Skills / Expertise / Competence</b>
Shri S.K. Bangur	Industrialist having vast knowledge and good experience of management, administration and having knowledge of pulp and paper.
Smt. Shashi Bangur	
Shri Saurabh Bangur	
Shri Virendraa Bangur	Industrialist and areas of special interest in Paper, Newsprints, Chemicals, IT, Electronics, Optic Fibre, Telephone and Power Cable and Plantations.
Shri Premal N. Kapadia	Chemical Engineer and an Industrialist.
Shri Amitav Kothari	M.Com, LLB, FICA, FCA, and Life Member of the Indian Council of Arbitration, New Delhi, Fellow of British Institute of Management (U.K) and on the Panel of Arbitration of Indian Chamber Council of Arbitration, Kolkata, also on the Panel of Reviewers maintained by the Peer Review Board of ICAI.
Shri Sudarshan Somani	Well experience in Foreign Exchange/FOREX dealings/Export/Import.
Smt Arpita Vinay	Degree in Electrical Engineering and MBA in Finance, also holds STEP Professional Postgraduate Diploma in Private Wealth Advising, which focuses on cross boarder succession, international taxation and family business advising. Experience in Financial Services across Wealth Management and Private Banking and won India's Top 100 "Women in Finance" - 2019 award presented by AIWMI and Women Super Achiever Award – In the field of Finance by the World Women Leadership Congress in Feb 2017
Shri Shiv Ratan Goenka	Industrialist having vast knowledge and good experience of management, administration. He is also a Director of Indian Chamber of Commerce, Calcutta.
Shri Rajendra Jain	B.Com, FCA and ACS. He has hands on experience in general management as P&L Leader.

**(d) Declaration of Independent Directors**

Independent Directors submitted declaration regarding they meets criteria of independence as required under Regulation 16(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Section 147(9) of the Companies Act, 2013, in the meeting held on 24th June, 2021, Board of Directors after due assessment of the veracity of the same confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions specified in above said Regulations and are independent of the Management.

**e) No Independent Director has resigned before the expiry of his tenure.**

**iv) Board Meetings held:**

- a) During the year under review, Six Board Meetings were held on June 26, September 10, November 12, 2020 and January 29, February 11, March 23, 2021.



## Report on Corporate Governance *(Contd.)*

- b) None of the directors other than Smt. Shashi Bangur being spouse, Shri Virendraa Bangur and Shri Saurabh Bangur being sons of Shri S.K. Bangur are relatives' inter-se.
- c) Smt. Shashi Bangur, Shri Saurabh Bangur and Shri Sudarshan Somani holds 2319415, 1651228 and 197300 equity shares respectively of the Company.

Details of Familiarization Programs imparted to independent directors are available at the website of the Company: [www.westcoastpaper.com](http://www.westcoastpaper.com).

### v) **Board Membership Criteria:**

The nomination and remuneration committee works with the entire Board to determine the appropriate characteristics, skill and experience require for the Board as a whole and for individual members. Board members are expected to possess the required qualification, experience for the position.

### vi) **Separate Independent Directors meeting:**

The Independent Directors meet at least once in a year without the presence of Executive Director or CMD or Management representatives and inter-alia discussed:

- a) The Performance of Non-Independent Directors and the Board as a whole.
- b) The Performance of Chairman of the Company.
- c) Assessment of the quality, quantity and timeliness flow of information between Management and the Board.

In addition to this meeting, interactions outside the Board Meeting also take place between the Chairman and the Independent Directors.

This year meeting was held on 29th January, 2021.

### vii) **Board Evaluation:**

In terms of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the Committees. A structured questionnaire was circulated, covering various aspects of the Board's and Committee's functioning, cultures, performance and governance.

## 3) COMMITTEES OF THE BOARD

### A) AUDIT COMMITTEE

#### i) **Brief description of terms of reference:**

Terms of Reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 that inter-alia, include overseeing financial reporting processes, reviewing periodic financial results, approval of remuneration and terms of appointment and payment to statutory auditors for any other services, auditor's independence and performance, audit process, financial statements and auditor's report thereon, review of adequacy of internal control systems with the Management and adequacy of internal audit functions, discussions with the auditors about the scope of audit including the observations of the auditors and discussion with internal auditor on any significant findings, review of transactions with related parties, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets, approval of appointment of Chief Financial Officer, evaluation of internal financial controls and risk management systems and review the functioning of the Whistle Blower Mechanism.



## Report on Corporate Governance (Contd.)

### ii) Composition, name of members and Chairperson:

The Audit Committee comprises five Directors, of whom four are Independent Non-Executive Directors and one is Executive Director, all of them possessing knowledge of corporate finance, accounts and company law. The Chairman of the Committee is an Independent Non-Executive Director. The Company Secretary acts as the Secretary to the Committee. The Composition of the Audit Committee is as follows:

Name of the Director	Category	Chairman/Member
Shri P.N. Kapadia	I/NED	Chairman
Shri Amitav Kothari	I/NED	Member
Shri Sudarshan Somani	I/NED	Member
Shri Shiv Ratan Goenka	I/NED	Member
Shri Rajendra Jain	ED	Member

### iii) Meetings and Attendance during the year:

During the year ended March 31, 2021, five meetings of the Audit Committee were held on June 26, September 10, November 12, 2020 and February 11, March 23, 2021. The Attendance of the Chairman and the Members of Audit Committee at the meetings held during the year review as under: -

Name of the Director	No. of Meetings attended
Shri P.N.Kapadia	5
Lt.Gen. Utpal Bhattacharyya PVSM, AVSM (Retd.) (till 29.01.2021)	3
Shri Amitav Kothari	5
Shri Sudarshan Somani	5
Shri Shiv Ratan Goenka (w.e.f. 29.01.2021)	2
Shri Rajendra Jain	5

## B) NOMINATION AND REMUNERATION COMMITTEE

### i) Brief description of terms of reference:

To periodically approve the remuneration package of whole-time Directors and ensure appropriate disclosure of the same, determining qualifications, positive attributes and independence of a Director, formulation of criteria for evaluation of Independent Directors and the Board, devising a policy on Board, diversity and recommend appointment of Directors, appointment and removal in senior management.

### ii) Composition, name of Members and Chairperson:

The Nomination and Remuneration Committee comprises three Non-Executive Independent Directors and the Company Secretary acts as Ex-officio Secretary of the Committee. The Name of the Members & Chairperson of the Nomination and Remuneration Committee is as under:

Name of the Director	Category	Chairman/Member
Shri Sudarshan Somani	I/NED	Chairman
Shri P.N. Kapadia	I/NED	Member
Shri Shiv Ratan Goenka	I/NED	Member



## Report on Corporate Governance (Contd.)

### iii) Meetings and attendance during the year:

During the year ended March 31, 2021, two meetings of the Nomination and Remuneration Committee held on June 26, 2020 and January 29, 2021. The Attendance of the Chairman and the Members of the Nomination and Remuneration Committee at the meetings held during the year review as under: -

Name of the Director	No. of Meetings attended
Shri Sudarshan Somani (w.e.f. 29.01.2021)	0
Shri P.N. Kapadia	2
Shri Shiv Ratan Goenka (w.e.f. 29.01.2021)	0
Shri M.P. Taparia (till 29.01.2021)	2
Lt.Gen. Utpal Bhattacharyya PVSM, AVSM (Retd.) (till 29.01.2021)	2

### C) STAKEHOLDERS RELATIONSHIP COMMITTEE

#### i) Brief description of terms of reference:

The Stakeholders Relationship Committee deals with approval of share transfer/transmission, issue of duplicate share certificates, split and consolidation requests, dematerialization/remat of shares, transfer of shares to IEPF and other matters relating to transfer and registration of shares.

#### ii) Composition, name of Members and Chairperson:

The Composition of Stakeholders Relationship Committee is as under:

Name of the Director	Category	Chairman/Member
Smt. Shashi Bangur	NED	Chairperson
Shri Saurabh Bangur	NED	Member
Shri Amitav Kothari	I/NED	Member
Shri Rajendra Jain	ED	Member

Shri Brajmohan Prasad, Company Secretary acts as the Compliance Officer.

#### iii) Meetings and Attendance during the year:

During the year, three meetings were held on June 26, September 10, 2020 and January 29, 2021. Details of attendance at the meetings are as follows:

Name of the Director	No. of Meetings attended
Smt. Shashi Bangur	3
Shri Saurabh Bangur	3
Shri Amitav Kothari	3
Shri Rajendra Jain	3

#### iv) Complaints Status:

The Share Department of the Company and Link Intime India Pvt. Ltd., the RTA of the Company attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges etc. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the satisfaction of the investors.



## Report on Corporate Governance (Contd.)

During the year under review, the Company has received 8 complaints from shareholders/investors, which inter-alia included non-receipt of Dividend, the complaints were resolved.

No complaint was pending as on March 31, 2021.

### D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

#### i) Brief description of terms of reference:

The Corporate Social Responsibility Committee deals with formulation and recommend annual action plan to the Board and monitor, decide the CSR activities and /or projects and recommend the amount of expenditure to be incurred on the activities under the same.

#### ii) Composition, name of Members and Chairperson:

The Composition of Corporate Social Responsibility Committee is as under:

Name of the Director	Category	Chairman/Member
Shri Virendraa Bangur	JMD	Chairman
Shri Saurabh Bangur	NED	Member
Smt. Arpita Vinay	I/NED	Member

#### iii) Meetings and Attendance during the year:

During the year, three meetings were held on June 26, September 10, 2020 and March 23, 2021. Details of attendance at the meetings are as follows:

Name of the Director	No. of Meetings attended
Shri Virendraa Bangur (w.e.f. 29.01.2021)	1
Shri Saurabh Bangur	3
Smt. Arpita Vinay (w.e.f. 29.01.2021)	1
Shri S.K. Bangur (till 29.01.2021)	2
Shri M.P. Taparua (till 29.01.2021)	2

### E) FINANCE AND CORPORATE AFFAIRS COMMITTEE

#### i) Brief description of terms of reference:

Finance and Corporate Affairs Committee deals with borrowing money, inter-corporate Loans/Deposit, parking/ investing surplus funds and open/ close Bank Accounts, with enhanced powers like review Financial Planning, Strategic Planning, Monitor Adequate Funds, Investment of Surplus Funds in Mutual Funds, Derivatives etc.

#### ii) Composition, name of Members and Chairperson:

The Composition of Finance and Corporate Affairs Committee is as under:

Name of the Director	Category	Chairman/Member
Shri Saurabh Bangur	NED	Chairman
Shri S.K. Bangur	CMD	Member
Shri Amitav Kothari	I/NED	Member
Shri Rajendra Jain	ED	Member



## Report on Corporate Governance (Contd.)

### iii) Meetings and Attendance during the year:

During the year, five meetings were held on June 26, August 10, September 26, 2020 and January 12, March 23, 2021. Details of attendance at the meetings are as follows:

Name of the Director	No. of Meetings attended
Shri Saurabh Bangur	5
Shri S.K. Bangur	5
Shri Amitav Kothari	5
Shri Rajendra Jain	1

### 4) PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

Performance evaluation criteria for independent directors are covered in Directors' Report.

### 5) REMUNERATION OF DIRECTORS

i) There is no pecuniary relationship or transactions between Non-Executive Directors and the Company except payment of sitting fees for attending Board and Committee Meetings as mentioned below.

#### ii) Remuneration Policy

Except Chairman & Managing Director, Joint Managing Director and Executive Director, the remaining Directors do not receive any remuneration, other than sitting fees for attending the meetings of the Board of Directors @ ₹ 25,000/- (w.e.f.,11.08.2018) per meeting and all Committee's Meeting including Independent Directors Meeting @ ₹ 10,000/- per meeting in terms of the resolution passed by the Board of Directors in its meeting held on 10th August, 2018.

#### iii) Details of remuneration

The details of Remuneration package, sitting fees paid etc., to Directors during the year ended March 31, 2021, for information of members, are furnished here below:

#### (a) Remuneration to Non-executive Directors :

Sl.No.	Name of the Director	Sitting fees paid (₹ in Lakhs)	Remarks
1.	Smt. Shashi Bangur	1.80	Except sitting fees for meetings of Board or its Committees, to Independent Directors and Non-Executive Directors, are not paid any salary, benefits, bonuses, stock options, pension etc. There is no contract, Notice period or severance fees applicable. Stock Option details - Not applicable as the same is not given.
2.	Shri Saurabh Bangur	2.35	
3.	Shri Virendraa Bangur*	0.25	
4.	Shri P.N.Kapadia	2.30	
5.	Lt.Gen. Utpal Bhattacharyya, PVSM, AVSM (Retd.)#	1.60	
6.	Shri Krishna Kumar Karwa#	0.75	
7.	Shri M.P.Taparia#	1.50	
8.	Shri Amitav Kothari	2.90	
9.	Shri Sudarshan Somani	2.10	
10.	Smt.Arпита Vinay	1.45	
11.	Shri Shiv Ratan Goenka	0.70	
	<b>TOTAL</b>	<b>17.70</b>	



## Report on Corporate Governance (Contd.)

**Note:** Shri S.K. Bangur is related to Smt. Shashi Bangur (wife), Shri Saurabh Bangur (son) and Shri Virendraa Bangur(son).

**\*Sitting fees paid pertains to period prior to appointment as Joint Managing Director**

**# Directors were retired after completing their Second Term w.e.f 02.02.2021.**

**(b) Remuneration to Chairman & Managing Director/ Joint Managing Director/ Executive Director :**

Sl. No.	Particulars	Shri S.K. Bangur (Chairman & Managing Director)	Shri Virendraa Bangur (Joint Managing Director)	Shri Rajendra Jain (Executive Director)
(i)	<b>Remuneration:</b>			
	- Salary (including bonus)	120.00	104.83	158.70
	- Contribution to Provident, Gratuity and Superannuation Fund	37.56	14.62	18.88
	- Benefits-Allowances/Perks	0.88	0.11	12.41
	- Commission	0.00	0.00	—
	<b>TOTAL</b>	<b>158.44</b>	<b>119.56</b>	<b>189.99</b>
(ii)	<b>Details of fixed component and performance linked incentives along with the performance criteria:</b>			
	<b>(a)Fixed Component:</b>	(₹ per month)	(₹ per month)	(₹ per month)
	- Salary – per month	10,00,000	9,63,650	8,88,655
	- Contribution to Provident Fund & Superannuation Fund	As per Rules	As per Rules	As per Rules
	- Perks and other allowances	As per Rules	As per Rules	As per Rules
	<b>(b) Performance Linked Incentive:</b>			
	Commission (Based on Net Profit for the year within the individual/overall ceiling for managerial remuneration from time to time)	Up to 4% of net profit by way of Salary,Perks and Commission, all taken together.	Up to 1% of net profit	-
	<b>(c) Minimum Remuneration:</b>			
	In case of inadequacy of profit in any year as calculated under section 197/198 of the Companies Act, 2013.	Within the ceiling of Schedule V, as amended from time to time.	Within the ceiling of Schedule V, as amended from time to time.	The remuneration paid to Shri Rajendra Jain, who is functioning in the professional capacity, is in line with Clause B of Section II of Part II of Schedule V of the Companies Act, 2013.



## Report on Corporate Governance (Contd.)

Sl. No.	Particulars	Shri S.K. Bangur (Chairman & Managing Director)	Shri Virendraa Bangur (Joint Managing Director)	Shri Rajendra Jain (Executive Director)
(iii)	<b>Service contracts, notice period, severance fees:</b>			
	(a) Service Contract	The re-appointment is for a further period of five years i.e., till April 30, 2026.	The appointment is for a period of three years i.e., till June 25, 2023.	The re-appointment is for a period of three years i.e., till July 30, 2024.
	(b) Notice period	Not specified	Not specified	Three months from either side
	(c) Severance fees	Not specified	Not specified	Not specified
(iv)	<b>Stock Option details, if any</b>	No Stock option issued, hence not applicable.	No Stock option issued, hence not applicable.	No Stock option issued, hence not applicable.

**Note:** Shri S.K. Bangur, Smt. Shashi Bangur, Shri Saurabh Bangur and Shri Virendraa Bangur are relatives.

### 6) GENERAL BODY MEETINGS

The details of General Body Meetings held in the last three years are as under:

#### (i) Annual General Meetings :

AGM	Day	Date	Time	Location
63 <sup>rd</sup>	Wednesday	22.08.2018	4:00 P.M	Bangur Nagar, Dandeli
64 <sup>th</sup>	Thursday	08.08.2019	4:00 P.M	Bangur Nagar, Dandeli
65 <sup>th</sup>	Monday	28.09.2020	4:00 P.M	Bangur Nagar, Dandeli (through Video Conference)

#### (ii) Special Resolutions passed in the previous three Annual General Meetings:

- (1) At the 65th Annual General Meeting held on 28th September, 2020, following Special Resolutions were passed:
  - i) Appointment of Shri Virendraa Bangur (DIN:00237043) as Joint Managing Director of the Company.
  - ii) Approval for continuation of Shri. S. K. Bangur (DIN: 00053237) as Chairman & Managing Director of the Company.
  - iii) Approval for payment of remuneration to Shri. S. K. Bangur (DIN:00053237), Chairman & Managing Director of the Company.
- (2) At the 64th Annual General Meeting held on 8th August, 2019, following Special Resolutions were passed:
  - i) Re-Appointment of Shri Amitav Kothari (DIN: 01097705) as an Independent Director of the Company.
  - ii) Re-Appointment of Shri P N Kapadia (DIN: 00042090) as an Independent Director of the Company.
- (3) At the 63rd Annual General Meeting held on 22nd August, 2018, following Special Resolutions were passed:
  - i) Re-Appointment of Shri M.P.Taparia (DIN:00112461) as an Independent Director of the Company.





## Report on Corporate Governance (Contd.)

- ii) Re-Appointment of Lt.Gen.Utpal Bhattacharyya, PVSM, AVSM (Retd.) (DIN: 02665807) as an Independent Director of the Company.
- iii) Re-Appointment of Shri Krishna Kumar Karwa (DIN: 00181055) as an Independent Director of the Company.
- iv) Re-Appointment of Shri Rajendra Jain (DIN: 07250797) as Executive Director of the Company.

### iii) Special Resolution passed last year through postal ballot (under Section 110) and details of voting pattern:Not Any

### (iv) Special Resolution proposed to be passed through Postal Ballot during this year-No

## 7) MEANS OF COMMUNICATION

- i) The Board of Directors of the Company approves the quarterly and half-yearly unaudited financial results in the proforma prescribed pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time within forty-five days of the close of the respective periods **(except audited results for the year/last quarter within sixty days of the end of the financial year. However, for the financial year ended on 31.03.2021, Securities and Exchange Board of India and Ministry of Corporate Affairs had extended time limit up to 30th June, 2021 and SEBI had further extended up to 31st July, 2020 due to COVID-19).**
- ii) The approved financial results are submitted online immediately after the Board Meeting to the Stock Exchanges where the Company's shares are listed and are published in Business Standard (English) and Karavali Munjavu (Kannada) newspapers, within forty-eight hours of approval thereof by the Board of Directors.
- iii) The Company's financial results, official news releases and presentations are displayed on the Company's website - [www.westcoastpaper.com](http://www.westcoastpaper.com).

## 8) GENERAL SHAREHOLDER INFORMATION

### A) 66th Annual General Meeting:

Date : September 22, 2021

Time : 11.30 A.M.

Mode : Through Video Conference (VC)/ Other Audio – Visual Means (OAVM).

### B) Tentative Financial Calendar 2021-22:

Adoption of Quarterly Results

of the quarter ending

- June 30, 2021

- September 30, 2021

- December 31, 2021

- March 31, 2022 (year ending)

**1st/2nd week of -**

August 2021

November 2021

February 2022

3rd /4th week of May, 2022

### C) Book Closure date:

**17.09.2021 to 22.09. 2021  
(Both days inclusive)**

### D) Dividend payment date:

**27.09.2021 Onwards**



## Report on Corporate Governance (Contd.)

### E) Listing of Equity Shares on Stock Exchanges:

The Company's equity shares are listed on the following Stock Exchanges, having nationwide trading terminals –

#### (a) BSE Limited

Corporate Services  
Floor 25, P.J.Towers  
Dalal Street  
**Mumbai - 400 001**

#### (b) National Stock Exchange of India Limited

Listing Department  
Exchange Plaza  
Bandra-Kurla Complex, Bandra (E)  
**Mumbai - 400 051**

### F) Listing Fees:

Listing fee for the year 2020-21 and 2021-22 has been paid to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

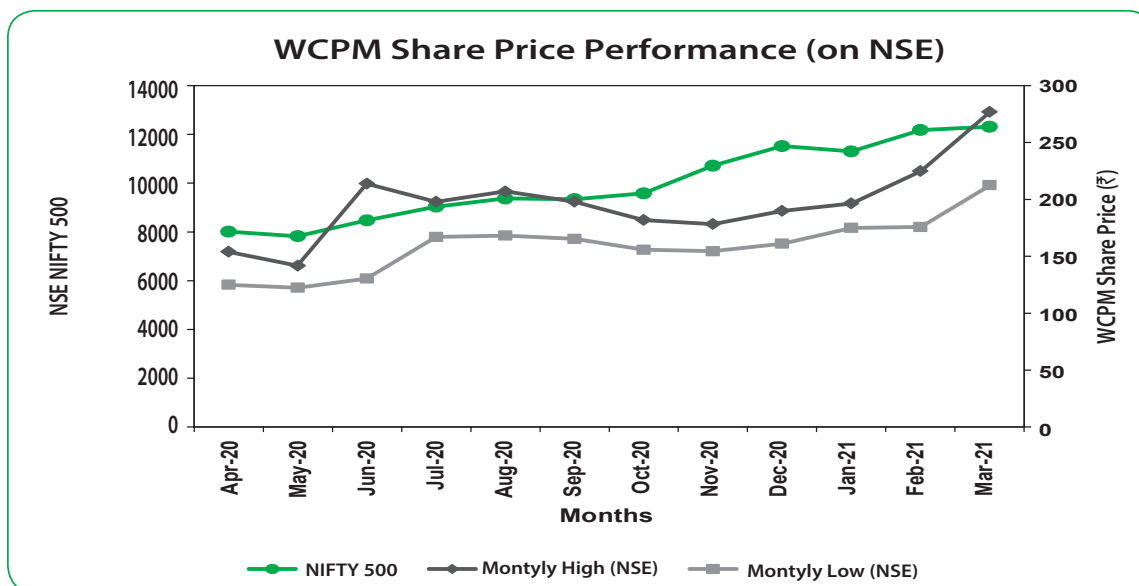
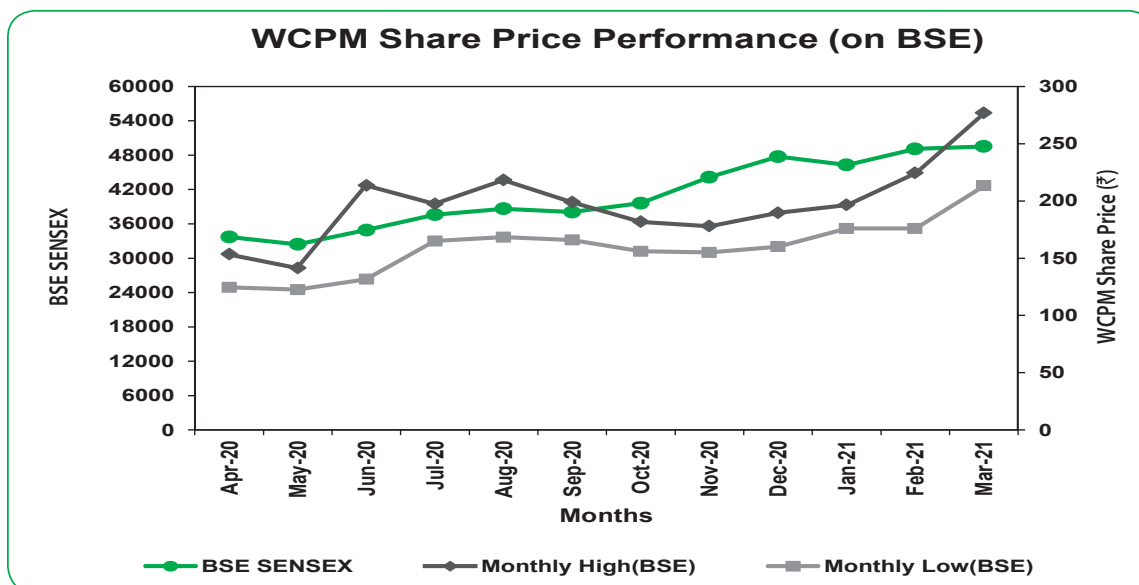
### G) Stock Code:

- |  |                |
|--|----------------|
| 1) BSE Limited                           | - 500444       |
| 2) National Stock Exchange of India Ltd. | - WSTCSTPAPR   |
| 3) ISIN                                  | - INE976A01021 |

### MARKET PRICE DATA OF EQUITY SHARES (₹)

Month	BSE Limited(BSE)		National Stock Exchange of India Ltd.(NSE)	
	High	Low	High	Low
April, 2020	153.50	124.55	154.05	125.00
May, 2020	141.50	122.55	141.80	122.40
June, 2020	213.65	131.60	213.90	130.40
July, 2020	197.50	165.00	198.00	167.00
August, 2020	218.25	168.40	207.00	168.20
September, 2020	198.95	165.85	197.95	165.30
October, 2020	181.85	156.00	181.90	155.80
November, 2020	178.00	155.00	178.30	154.50
December, 2020	189.75	160.10	189.90	161.15
January, 2021	196.60	176.00	196.50	174.95
February, 2021	224.50	175.95	224.90	175.75
March, 2021	277.00	213.35	277.00	212.55

## Report on Corporate Governance (Contd.)



### H) Registrar and Share Transfer Agent:

For Shares held in physical form as well as in dematerialized form -  
 Link Intime India Pvt.Ltd.,  
 C-101, 247 Park  
 LBS Marg, Vikhroli (West), Mumbai - 400 083.  
 Ph: (022) 49186000; Fax: (022) 49186060;  
 E-mail: rnhelpdesk@linkintime.co.in



## Report on Corporate Governance (Contd.)

### I) Share Transfer System:

The Company's Registrar and Share Transfer Agent (RTA) has been entrusted with handling of physical transfer of shares also, as per the directions of SEBI, w.e.f. February, 2003, apart from dematerialization of shares. The Board of Directors of the Company has delegated the power of approval of share transfer executed/processed by the RTA to the Stakeholders Relationship Committee comprising of two Non-Executive Directors, One Independent Director, Executive Director and Company Secretary of the Company.

The RTA does the physical share transfer once in a week and sends the statement to the Company for approval purpose (w.e.f. 01.04.2019 pursuant to SEBI circular, transfer of securities will be done only in demat form).

### J) Shareholding Pattern as on March 31, 2021:

Category	No. of shares held	% of shareholding
Promoters	37180551	56.29
Mutual Funds	5245260	7.94
Alternate Investment Funds	335407	0.51
Foreign Portfolio Investor	1447578	2.19
Banks, Financial Institutions, Insurance Companies	352916	0.53
Private Corporate Bodies, Trusts	3173356	4.81
Indian Public	17486387	26.47
NRIs/OCBs	460053	0.70
Foreign Nationals	12050	0.02
IEPF	355350	0.54
<b>Total</b>	<b>66048908</b>	<b>100.00</b>

### K) Distribution of Shareholding as on March 31, 2021:

From- To	No. of shareholders		No. of shares	
	Number	%	Number	%
Upto - 5000	33663	98.47	8963205	13.57
5001-10000	226	0.66	1700071	2.57
10001-20000	138	0.40	2002807	3.03
20001-30000	50	0.15	1226992	1.86
30001-40000	25	0.07	884662	1.34
40001-50000	14	0.04	634472	0.96
50001-100000	24	0.07	1829966	2.77
100001 & Above	46	0.14	48806733	73.90
<b>Total</b>	<b>34186</b>	<b>100.00</b>	<b>66048908</b>	<b>100.00</b>

### L) Dematerialization of Shares:

The Shares of the Company are in compulsory demat segment w.e.f. July 2000. The Company's shares are available for trading in the depository systems of both the National Securities Depository Limited and the Central Depository Services (India) Limited. As on 31st March 2021, 98.52% of the Shares of the Company were held in dematerialized form and rest in physical form.



## Report on Corporate Governance (Contd.)

### M) Non-Convertible Debenture:

The Company has Allotted Nos.1980, 10.30%, Secured, Rated, Listed, Redeemable Non-Convertible Debentures of face value of ₹ 10,00,000/- each, aggregating to ₹ 198.00 Crores for the acquisition of Andhra Paper Limited (formerly known as International Paper APPM Limited) as on 18.10.2019. Outstanding Non-Convertible Debenture as on 31.03.2021 is ₹ 158.40 Crores. The details as under:

Listed	:	BSE Limited
Debt Scrip Code	:	959044
ISIN	:	INE976A07028
Credit Rating	:	[ICRA] AA-
Trustee	:	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R,Kamani Marg, Ballard Estate, Mumbai-400001, Maharashtra, Phone- 022-40807000 itsl@idbitrustee.com www.idbitrustee.com

### N) Plant Location of the Company:

#### i) Paper & Paperboard and Duplex Board

Bangur Nagar, Dandeli -581 325  
Uttara Kannada Dist. (Karnataka)

#### ii) Optical Fibre Cable Unit

West Coast Optilinks  
Plot No.386/387, KIADB, Electronic City  
Hebbal Industrial Area, Mysore -570 016

### O) Address for Correspondence:

The shareholders may address their communications / suggestions /grievances/ queries pertaining to share transfer / demat including physical transfer requests and demat requisition forms, to the Company's RTA at the following address -

Link Intime India Pvt.Ltd.,  
(Unit: West Coast Paper Mills Ltd.)  
C-101, 247 Park  
LBS Marg, Vikhroli (West), Mumbai-400 083.  
Ph: (022) 49186000;Fax: (022) 49186060;  
E-mail: rnthelpdesk@linkintime.co.in

### P) Credit rating of the Company done by India Ratings and Research Limited (Fitch Group) as under:

- Long Term : Affirmed at IND AA-/Stable
- Short Term : Affirmed at IND A1+



## Report on Corporate Governance (Contd.)

### 9) DISCLOSURES

#### A) Related Party Transactions:

The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have any potential conflict with the interests of the Company. Policy on dealing with related party transactions is available on the website of the Company.

#### B) Compliance of various legal requirements by the Company:

The Company has complied with the various requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years and no penalties/strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.

C) The Company has formed Whistle Blower Policy and no personnel has been denied access to the Audit Committee.

D) The Company has complied with all the mandatory requirements prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also adopted the following non-mandatory requirements:

- The Company is maintaining office for the Non-Executive Chairman.
- The Company is normally publishing unaudited/audited financial results without any qualifications.
- The Board members are having adequate experience and expertise to deal with business matters.

E) **Subsidiary Company:** The Financial Statements and Investments if any, made by the unlisted subsidiary company, reviewed by the Audit Committee of the Company.

The Minutes of the unlisted subsidiary company are placed at the Board Meeting of the Company. A statement of all significant transactions and arrangements if any, enter into by the unlisted subsidiary company are also placed at the Board Meeting.

F) The Company has no material subsidiaries.

G) During the year Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

H) Certificate from a Company Secretary in practice stating that none of the Directors on the board debarred or disqualified is attached.

I) As per SEBI Notification dated May 9, 2018, total fees paid for all services rendered by Statutory Auditor for the financial year ended on 31st March, 2021 is ₹ 38.54 Lakhs.

J) The Company has complied with requirements specified in Regulation 17 to 27 and clause (b) to (i) of Sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

K) There is no Commodity Price Risk and Commodity Hedging activity during the year ended on 31st March, 2021.

L) **Pertaining to the Sexual Harassment of Women at the Workplace:** As required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Re-dressal) Act, 2013 and the Companies (Accounts) Amendment Rules, 2018, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and set up a Complaints Committee at its work place(s) to redress the complaints of women employees and requisite disclosures in relation thereto as under:



## Report on Corporate Governance *(Contd.)*

- i. number of complaints filed during the financial year: Nil
- ii. number of complaints disposed during of the financial year: Nil
- iii. number of complaints pending as at the end of the financial year: Nil

### 10) CEO/CFO CERTIFICATION

As required by the Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate from CEO and CFO was placed before the Board of Directors at the meeting held on 24th June, 2021.

### 11) COMPLIANCE CERTIFICATE OF THE AUDITORS

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same forms a part of this report.

The Certificate from the Statutory Auditors will be sent to the Stock Exchanges along with the Annual Report of the Company.

### 12) TRANSFER OF SHARES TO THE IEPF AUTHORITY

Pursuant to the provisions under Section 124(5)&(6) of the Companies Act, 2013 and read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2017 i.e., G.S.R. 1267(E) notified on 13.10.2017, shares in respect of which Dividend has not been paid or claimed for 7 consecutive years or more were transmitted to the demat account of IEPF authority bearing DP/CI Id No. IN300708 10656671 opened with NSDL by Ministry of Corporate Affairs.

### DECLARATION

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board members and Senior Management personnel have affirmed compliance with Code of Conduct adopted by the Board, in its meeting held on 29th January, 2021.

For and on behalf of the Board

**S. K. Bangur**

*Chairman & Managing Director*

DIN: 00053237

Place: Dandeli

Date: 24th June, 2021

**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

**WEST COAST PAPER MILLS LIMITED**

Registered Office: P B NO. 5, BANGUR NAGAR,  
DANDELI, UTTARA KANNADA-581325, KARNATAKA

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of WEST COAST PAPER MILLS LIMITED, having CIN L02101KA1955PLC001936 and having registered office at P B NO.5, BANGUR NAGAR, DANDELI, UTTARA KANNADA-581325, KARNATAKA (hereinafter referred to as 'the Company'), produced before me/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 my/our opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

SL. NO.	NAME OF THE DIRECTOR	DIN	DESIGNATION	DATE OF APPOINTMENT
1.	SHREE KUMAR BANGUR	00053237	Managing Director	24.02.1988
2.	SHASHI BANGUR	00053300	Director	30.05.1994
3.	SAURABH BANGUR	00236894	Director	28.06.2004
4.	VIRENDRAA BANGUR	00237043	Whole Time Director	12.11.2019
5.	PREMAL NARENDRA KAPADIA	00042090	Director	07.08.1992
6.	AMITAV KOTHARI	01097705	Director	12.02.2016
7.	SUDARSHAN VIJAYNARAIN SOMANI	00137568	Director	10.11.2017
8.	RAJENDRA JAIN	07250797	Whole Time Director	31.07.2015
9.	ARPITA VINAY	06940663	Director	26/06/2020
10.	SHIV RATAN GOENKA	00225734	Additional Director	29/01/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This

certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **N G JOSHI & CO**

**Naman G. Joshi**

Practicing Company Secretary

CP: 9579 M NO. F8389

UDIN: F008389C000256604

Place: Bengaluru  
Date: 7th May, 2021





## Independent Auditor's Report on Corporate Governance

To the Members of

### West Coast Paper Mills Limited

1. We have examined the compliance of conditions of corporate governance by **West Coast Paper Mills Limited** (the 'Company') for the year ended March 31, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance stipulated in the Listing regulations as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We conducted our examination of the Corporate

Governance Report in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in Regulations 17 to 27 and clauses (b) to (l) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended March 31, 2021.
7. 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.

### Restriction on use

8. This Report is addressed to and provided to the members of the Company pursuant to requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"). Our certificate should not be used for any other person or for any other purpose. Accordingly we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **Singhi & Co.**

*Chartered Accountants*

Firm Registration No: 302049E

**Sudesh Choraria**

*Partner*

M. No.204936

UDIN: 21204936AAAAFJ2143

Date : June 24, 2021

Place : Mumbai



## Financial Statements



# Independent Auditor's Report

## To the Members of West Coast Paper Mills Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **West Coast Paper Mills Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 audit opinion on the standalone financial statements.

#### Emphasis of Matter

We draw attention to Note 58 to the Standalone Financial Statements regarding uncertainty around the impact of COVID 19 on the operations and recoverability of carrying value of current and non current assets of the Company, which is presently not ascertainable. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
<p>1. Revenue Recognition (Refer Note 1 (III) (h) and 27 to the Standalone Financial Statements)</p> <p>Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods to a customer. The revenue recognition occurs at a point in time when the control of the goods is transferred to the customer.</p>	<p>As part of our audit procedures, we:</p> <ul style="list-style-type: none"> <li>➤ Read the Company's accounting policy for revenue recognition and assessed compliance with the requirements of Ind AS 115.</li> </ul>



## Independent Auditor's Report *(Contd.)*

Key audit matters	How our audit addressed the key audit matter
<p>We focussed on this area as a key audit matter as the value is significant and inherent risk exists of revenue being recognized before the control is transferred, including risk of incorrect timing of estimation related to recording the discounts and rebates.</p>	<ul style="list-style-type: none"> <li>➤ Evaluated the design, tested the implementation and operating effectiveness of the Company's internal controls including general IT controls and key IT application controls over recognition of revenue.</li> <li>➤ On a sample basis, tested supporting documentation for sales transactions which included sales invoices, customer contracts, and shipping documents.</li> <li>➤ Tested revenue samples focused on sales recorded immediately before the year-end, obtained evidence as regards timing of revenue recognition, based on terms and conditions of sales contracts and delivery documents.</li> <li>➤ Assessed disclosures in financial statements in respect of revenue, as specified in Ind AS 115.</li> </ul>
<p>2. Provisions and contingent liabilities related to taxation, litigation and claims (Refer Note 38 to the Standalone Financial Statements)</p>	<p>As part of our audit procedures, we:</p> <ul style="list-style-type: none"> <li>➤ Obtained an understanding of management's process to identify new obligations and changes in existing obligations for compliance with Ind AS 12 – Income taxes and Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.</li> <li>➤ analysed significant changes in material provisions from prior periods and obtained a detailed understanding of these changes and assumptions applied.</li> <li>➤ Our audit procedures related to material provisions recognised and contingent liabilities disclosed in the standalone financial statements included: <ul style="list-style-type: none"> <li>• Assessment of the recognition criteria for the liability;</li> <li>• Evaluation of the methodology adopted by management for the measurement of the liability;</li> <li>• Assessment of the other key measurement assumptions and inputs.</li> <li>• We have obtained opinions and confirmations from internal /external experts and legal counsel, where necessary, which we have relied upon.</li> </ul> </li> <li>➤ We reviewed the minutes of the Board meetings including other committees to evaluate the process and controls over obligations operated by management.</li> </ul>
<p>The Company has ongoing litigations with various regulatory and tax authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its reliable estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.</p> <p>Due to the level of judgement relating to recognition, valuation and presentation of provisions and contingent liabilities, this is considered to be a key audit matter</p>	



## Independent Auditor's Report *(Contd.)*

Key audit matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"><li>➤ Testing of the mathematical accuracy of the measurement calculation;</li><li>➤ We assessed the appropriateness of the presentation of the most significant contingent liabilities in the financial statements.</li></ul>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone 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 for the Standalone Financial Statements

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

In preparing the standalone 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 charged with governance are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 SA's 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



## Independent Auditor's Report *(Contd.)*

the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.



## Independent Auditor's Report *(Contd.)*

2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 standalone financial statements – Refer Note 38 to the standalone financial statements;
    - ii. The Company has accounted for material foreseeable losses, if any, for long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Singhi & Co.**  
*Chartered Accountants*  
Firm Registration No: 302049E

**Sudesh Choraria**  
*Partner*  
Membership No: 204936  
UDIN: 21204936AAAAFH8068

Date : June 24, 2021  
Place: Mumbai



## Annexure - A

to the Independent Auditor's Report

(Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of WEST COAST PAPER MILLS LIMITED on the Standalone Financial Statements as of and for the year ended March 31, 2021)

We report that:

- i. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets (property, plant and equipment).
  - b) As explained to us, the fixed assets (property, plant and equipment) have been physically verified by management and no material discrepancies have been noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of company and nature of its assets.
  - c) According to the information and explanations given to us and on the basis of our examination, title deeds of the immovable property other than self - constructed immovable property (buildings) as disclosed in schedule of Property, Plant and Equipment to the financial statements, are held in the name of the Company, except for

Asset Category	Gross Block (₹ Lakhs)	Net Block (₹ Lakhs)	Remarks
Leasehold Land	162	162	289.68 acres of leasehold land for which Government approval for renewal for next 30 years received but lease agreement is yet to be executed; and 109.10 acres of other leasehold land of which lease agreement is expired and pending to be renewed and registered with the government.

- ii. As explained to us, the physical verification of inventories, except goods in transit has been conducted by the management at reasonable intervals during the year. The discrepancies noticed on physical verification of inventories were suitably adjusted in the books of accounts.
- iii. According to the information and explanations given to us, the Company has granted unsecured loan to a subsidiary company covered in the register maintained under Section 189 of the Companies Act 2013. The terms and conditions of the loan granted are, prima facie, not prejudicial to the Company's interest. As per the information & explanations provided to us, the repayment of loan and interest amount are received as and when demanded. As on 31<sup>st</sup> March 2021 there were no amounts overdue in respect of the said loan.
- iv. In our opinion and according to the information and explanations given to us and records examined by us, Company has not given any loan, made investments or given Guarantee and Securities and covered under Section 185 / 186 accordingly the clause is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules 2014 (as amended).
- vi. We have broadly reviewed the books of account maintained by the Company in respect of products for which maintenance of prescribed cost records is mandated by Government of India U/S 148 (1) of the Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us and the records of the Company examined by us:
  - a) The Company has been generally regular in depositing amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues, including Provident Fund, Employee's State Insurance, Investor Education and Protection Fund, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess, Goods & Service Tax and other statutory dues, as applicable, except for some minor delays in case of TDS. There was no undisputed outstanding statutory dues as at the year end, for a period of more than six months from the date they became payable.
  - b) There are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess, Goods & Service Tax which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:





## Annexure - A

to the Independent Auditor's Report (Contd.)

Name of the Statute	Period to which the amount relates	Forum where dispute is pending	Amount in dispute (₹ in Lakhs)
Income Tax Act 1961	Assessment year 1999-2000 to 2016-17	Commissioner Appeals, ITAT, Honourable High Court	₹ 3012.30 Lakhs (net of refunds adjusted and payments of ₹ 664 Lakhs)
Central Excise Act 1944	2008-09 to 2012-13	Commissioner (Appeals) / CESTAT	₹ 89.63 Lakhs
The Custom Act 1962	2013-14 & 2016-17	Honourable Supreme Court, Commissioner of Customs (Appeals)	₹ 540.27 Lakhs (Net of recoveries done by department ₹ 21.48 Lakhs)

- viii. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank, Government or debenture holders.
- ix. According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans were applied for purpose for which they were raised.
- x. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, 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.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment / private placement of shares.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration No: 302049E

**Sudesh Choraria**  
Partner  
Membership No: 204936  
UDIN: 21204936AAAAAFH8068

Date : June 24, 2021  
Place: Mumbai



## Annexure - B

to the Independent Auditor's Report (*Contd.*)

(Referred to in paragraph 2 (f) of the Independent Auditors' Report of even date to the members of WEST COAST PAPER MILLS LIMITED on the Standalone Financial Statements as of and for the year ended March 31, 2021)

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. We have audited the internal financial controls over financial reporting of West Coast Paper Mills Limited ('the Company') as of March 31, 2021 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 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

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



## Annexure - B

to the Independent Auditor's Report (*Contd.*)

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Singhi & Co.**  
*Chartered Accountants*  
Firm Registration No: 302049E

**Sudesh Choraria**  
*Partner*  
Membership No: 204936  
UDIN: 21204936AAAAFH8068

Date : June 24, 2021  
Place: Mumbai



# Standalone Balance Sheet

as at March 31, 2021

(₹ in Lakhs)

	Note	As at	
		March 31, 2021	March 31, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	82,720.10	90,522.80
Capital Work-in-Progress	3	2,469.01	5,532.28
Intangible Assets	4	100.83	53.68
Biological Assets other than bearer plants	5	684.49	760.03
Financial Assets :			
i. Investment in Subsidiaries and Associates	6	91,161.93	91,161.93
ii. Other Investments	6	53.01	51.00
iii. Other Financial Assets	8	238.94	189.39
Other Non-Current Assets	9	126.82	243.37
Current Tax Assets (Net)	10	617.37	804.80
Deferred Tax Assets (Net)	11	6,841.01	4,675.03
<b>Total Non-Current Assets</b>		<b>1,85,013.51</b>	<b>1,93,994.31</b>
<b>Current Assets</b>			
Inventories	12	24,047.24	32,418.80
Biological Assets other than bearer plants	5	44.39	0.40
Financial Assets :			
i. Trade Receivables	13	12,558.16	10,141.20
ii. Cash and Cash Equivalents	14	555.01	141.86
iii. Other Bank Balances	15	253.85	251.64
iv. Loans	7	1,102.14	298.22
v. Other Financial Assets	8	173.45	211.19
Other Current Assets	16	5,710.34	2,362.39
Assets classified as held for sale	17	-	6.59
<b>Total Current Assets</b>		<b>44,444.58</b>	<b>45,832.29</b>
<b>Total Assets</b>		<b>2,29,458.09</b>	<b>2,39,826.60</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	18	1,320.98	1,320.98
Other Equity	19	1,28,523.02	1,28,232.31
<b>Total Equity</b>		<b>1,29,844.00</b>	<b>1,29,553.29</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities :			
i. Borrowings	20	39,640.32	52,362.17
ii. Other Financial Liabilities	21	5,965.60	6,260.14
Provisions	22	535.27	500.77
Other Non-Current Liabilities	23	7,568.59	7,209.76
<b>Total Non-Current Liabilities</b>		<b>53,709.78</b>	<b>66,332.84</b>
<b>Current Liabilities</b>			
Financial Liabilities :			
i. Borrowings	24	8,571.03	8,838.56
ii. Trade Payables		-	-
a) Micro, Small & Medium Enterprises	25	1,384.07	463.45
b) Others	25	5,595.90	7,393.57
iii. Other Financial Liabilities	21	22,905.92	21,757.02
Provisions	22	605.31	1,062.15
Other Current Liabilities	26	6,842.08	4,425.72
<b>Total Current Liabilities</b>		<b>45,904.31</b>	<b>43,940.47</b>
<b>Total Equity and Liabilities</b>		<b>2,29,458.09</b>	<b>2,39,826.60</b>

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Sudesh Choraria**

Partner  
M.No. 204936

Place: Dandeli  
Date: June 24, 2021

For and on behalf of the Board

**S. K. Bangur**  
Chairman & Managing Director

**Virendraa Bangur**  
Joint Managing Director

**Rajendra Jain**  
Executive Director & CFO

**Saurabh Bangur**  
Vice Chairman

**Brajmohan Prasad**  
Company Secretary

**Shashi Bangur**  
**P. N. Kapadia**  
**Amitav Kothari**  
**Sudarshan Somani**  
**Arpita Vinay**  
**Shiv Ratan Goenka**  
Directors



## Standalone Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Lakhs)

	Note	For the year ended	
		March 31, 2021	March 31, 2020
<b>REVENUE</b>			
Revenue from Operations	27	1,36,839.85	1,98,114.78
Revenue from Trading Operations	28	-	130.62
Other Income	29	995.45	4,759.03
<b>Total Income</b>		<b>1,37,835.30</b>	<b>2,03,004.43</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	30	68,873.29	1,04,382.25
Purchases of Stock in Trade	31	-	90.02
Changes in Inventories of Finished Goods & Work in Progress	32	3,162.18	(4,655.86)
Employee Benefits Expense	33	16,421.95	16,001.05
Finance Costs	34	6,518.17	7,204.34
Depreciation and Amortization Expense	35	15,348.56	16,636.52
Other Expenses	36	29,272.96	34,308.04
<b>Total Expenses</b>		<b>1,39,597.11</b>	<b>1,73,966.36</b>
<b>Profit / (Loss) Before Exceptional Items and Tax</b>		<b>(1,761.81)</b>	<b>29,038.07</b>
Exceptional Items		-	-
<b>Profit / (Loss) Before Tax</b>		<b>(1,761.81)</b>	<b>29,038.07</b>
<b>Income Tax Expense</b>	37		
Current Tax		199.45	4,749.67
MAT Credit (Entitlement) / Reversal		318.56	(1,366.81)
Deferred Tax		(2,484.55)	(1,984.83)
<b>Total Tax Expenses</b>		<b>(1,966.54)</b>	<b>1,398.03</b>
<b>Profit / (Loss) for the period from Continuing Operations</b>		<b>204.73</b>	<b>27,640.04</b>
<b>Other Comprehensive Income / (Loss)</b>	19		
Items that will not be reclassified to Profit or Loss			
Remeasurement of employees benefit obligations		132.17	(723.70)
Income Tax relating to Items that will not be reclassified to Profit or Loss		(46.19)	252.89
<b>Other Comprehensive Income/(Loss) for the period ( net of tax )</b>		<b>85.98</b>	<b>(470.81)</b>
<b>Total Comprehensive Income / (Loss)</b>		<b>290.71</b>	<b>27,169.23</b>
<b>Earnings per share ( Basic/ Diluted ) ( in ₹ )</b>		<b>0.31</b>	<b>41.85</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Sudesh Choraria**

Partner  
M.No. 204936

Place: Dandeli  
Date: June 24, 2021

**S. K. Bangur**  
Chairman & Managing Director

**Virendraa Bangur**  
Joint Managing Director

**Rajendra Jain**  
Executive Director & CFO

For and on behalf of the Board

**Saurabh Bangur**  
Vice Chairman

**Brajmohan Prasad**  
Company Secretary

**Shashi Bangur**  
**P. N. Kapadia**  
**Amitav Kothari**  
**Sudarshan Somani**  
**Arpita Vinay**  
**Shiv Ratan Goenka**  
Directors



# Standalone Statement of Changes in Equity

for the year ended March 31, 2021

(All amounts of ₹ in Lakhs, except share data and unless otherwise stated)

## A. EQUITY SHARE CAPITAL

Particulars	Balance at the beginning of the reporting year		Changes in equity share capital during the year		Balance at the end of the reporting year	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
	For the year ended March 31, 2020	6,60,48,908	1,320.98	-	-	6,60,48,908
<b>For the year ended March 31, 2021</b>	<b>6,60,48,908</b>	<b>1,320.98</b>	<b>-</b>	<b>-</b>	<b>6,60,48,908</b>	<b>1,320.98</b>

## B. OTHER EQUITY

Particulars	Reserves & Surplus					Other Comprehensive Income	Total
	Security Premium Account	Retained Earnings	Capital Redemption Reserve	Equity Share Warrant Forfeited	General Reserve		
Opening as on April 01, 2019	14,572.54	51,655.49	6,500.00	277.50	36,934.35	(909.05)	1,09,030.83
Profit for the year	-	27,640.04	-	-	-	-	27,640.04
Remeasurement of net defined benefit liability/asset ( net of tax )	-	-	-	-	-	(470.81)	(470.81)
Dividends paid (including Dividend Distribution Tax) (including Interim Dividend)	-	(7,967.75)	-	-	-	-	(7,967.75)
<b>Balance as on March 31, 2020</b>	<b>14,572.54</b>	<b>71,327.78</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,379.86)</b>	<b>1,28,232.31</b>
<b>Opening as on April 01, 2020</b>	<b>14,572.54</b>	<b>71,327.78</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,379.86)</b>	<b>1,28,232.31</b>
Profit for the year	-	204.73	-	-	-	-	204.73
Remeasurement of net defined benefit liability/asset ( net of tax )	-	-	-	-	-	85.98	85.98
<b>Balance as on March 31, 2021</b>	<b>14,572.54</b>	<b>71,532.51</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,293.88)</b>	<b>1,28,523.02</b>

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E**Sudesh Choraria**  
Partner  
M.No. 204936  
Place: Dandeli  
Date: June 24, 2021**S. K. Bangur**  
Chairman & Managing Director  
**Virendraa Bangur**  
Joint Managing Director  
**Rajendra Jain**  
Executive Director & CFO

For and on behalf of the Board

**Saurabh Bangur**  
Vice Chairman**Brajmohan Prasad**  
Company Secretary**Shashi Bangur**  
**P. N. Kapadia**  
**Amitav Kothari**  
**Sudarshan Somani**  
**Arpita Vinay**  
**Shiv Ratan Goenka**  
Directors



## Standalone Cash Flow Statement

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit/(Loss) before Income Tax</b>	<b>(1,761.81)</b>	<b>29,038.07</b>
<b>Adjustments for :</b>		
Depreciation and amortisation	15,348.56	16,636.52
Loss / (Gain) on sale/discard of Property, plant and equipment	641.46	(2.35)
Loss / (Gain) on sale of investments	-	(1,651.80)
Dividend and interest income classified as investing cash flows	(134.32)	(1,290.14)
Rent receipt	(55.20)	(26.60)
Finance costs	6,210.90	5,738.29
Government grant income	(520.65)	(537.48)
Provision for doubtful debts	32.86	109.31
Net exchange differences	307.26	1,466.05
Fair value adjustment in Investment	(2.01)	23.59
Liabilities & provisions written back	(31.78)	(1,007.24)
<b>Total</b>	<b>21,797.08</b>	<b>19,458.15</b>
<b>Operating profit before working capital changes</b>	<b>20,035.27</b>	<b>48,496.22</b>
<b>Adjustments for :</b>		
(Increase) / decrease in trade receivables	(2,449.82)	6,012.17
(Increase) / decrease in inventories	8,441.26	10,720.28
(Increase) / decrease in other financial assets	7.27	(59.70)
(Increase) / decrease in other non-current assets	116.54	452.11
(Increase) / decrease in other current assets	(3,347.93)	(946.64)
Increase / (decrease) in trade liabilities	(839.60)	(9,503.14)
Increase / (decrease) in provisions	(422.33)	1,045.27
Increase / (decrease) in other financial liabilities	(473.08)	352.08
Increase / (decrease) in current liabilities	2,861.13	1,055.96
<b>Total</b>	<b>3,893.44</b>	<b>9,128.39</b>
<b>Cash generated from operations</b>	<b>23,928.71</b>	<b>57,624.61</b>
Less: Income Tax paid	0.47	3,201.77
<b>Net cash inflow / (outflow) from operating activities</b>	<b>23,928.24</b>	<b>54,422.84</b>



## Standalone Cash Flow Statement (Contd.)

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	(5,137.19)	(10,527.69)
Purchase of intangible assets	(111.29)	(11.85)
Investment in subsidiary	-	(91,159.94)
Proceeds from sale of property, plant and equipment	40.04	8.52
Rent received	55.20	26.60
Interest received	122.78	56.87
Bank deposits	(2.22)	59.58
Loan to subsidiary	(823.00)	652.19
Investment in mutual fund	-	(64,350.00)
Redemption of mutual fund	-	88,190.89
Dividend income received	-	0.21
<b>Net Cash inflow / outflow from Investing Activities</b>	<b>(5,855.68)</b>	<b>(77,054.62)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	7,500.00	58,371.48
Repayments of Long Term Borrowings	(18,680.98)	(15,083.85)
Proceeds / (Repayment) of Short Term Borrowings (Net)	(267.53)	(7,029.43)
Interest and Finance charges	(6,210.90)	(5,742.30)
Dividends paid to company's shareholders (including interim)	-	(6,604.89)
Tax on equity dividend	-	(1,362.87)
<b>Net cash inflow/ (outflow) from Financing Activities</b>	<b>(17,659.41)</b>	<b>22,548.14</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents</b>	<b>413.15</b>	<b>(83.64)</b>
<b>Net increase or (decrease) in Cash and Cash Equivalents during the year</b>	<b>413.15</b>	<b>(83.64)</b>
<b>Cash and Cash Equivalents at the beginning of the financial year</b>	<b>141.86</b>	<b>225.50</b>
<b>Cash and Cash Equivalents at the end of the financial year</b>	<b>555.01</b>	<b>141.86</b>
<b>Reconciliation of Financial Liabilities - Borrowings</b>	<b>2020-21</b>	<b>2019-20</b>
Opening balance	76,691.47	40,020.84
Add: Proceeds of borrowings	7,500.00	56,905.48
Less: (Repayment) of borrowings	(18,680.98)	(15,083.85)
Less: Proceeds / (Repayments) of borrowings (short term) (net)	(267.53)	(7,029.43)
Add / (Less) Non-cash movement	(213.40)	1,878.43
	<b>65,029.56</b>	<b>76,691.47</b>

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date

For **Singhi & Co.**

Chartered Accountants

Firm Registration No. 302049E

**Sudesh Choraria**

Partner

M.No. 204936

Place: Dandeli

Date: June 24, 2021

**S. K. Bangur**

Chairman &amp; Managing Director

**Virendraa Bangur**

Joint Managing Director

**Rajendra Jain**

Executive Director &amp; CFO

For and on behalf of the Board

**Saurabh Bangur**

Vice Chairman

**Brajmohan Prasad**

Company Secretary

**Shashi Bangur****P. N. Kapadia****Amitav Kothari****Sudarshan Somani****Arpita Vinay****Shiv Ratan Goenka**

Directors





# Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021

## Note 1 – Company Overview, Basis of Preparation and Significant Accounting Policies

### I. The Company Overview:

West Coast Paper Mills Limited, a Public Limited Company listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. The registered office of the Company is situated at Bangur Nagar, Dandeli 581325 District Uttar Kannada, Karnataka. The Company was established in 1955. The Company has two business activities: Paper & Paper Board at Dandeli and Optical Fibre Cable at Mysore. The Company's Dandeli Plant is integrated Pulp & Paper Plant and produce various type of quality Paper & Paper Board. This caters to needs of innumerable industries in printing, writing, publishing, stationary, notebooks and packaging sectors in India. The Company strongly believes on Continuous Improvement in product quality, reduction in cost, and Environment Management. The Company is ISO 9001-2015, ISO 14001-2015 FSC (R) & OHSAS 18000-2007. The Company's Mysore Plant produces Optical Fibre Cable which cater requirement of telecom sector of India.

### II. Basis of Preparation of Financial Statements:

#### a) Statement of Compliance:

The Financial Statements of the Company, are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis. The Ind AS are prescribed under section 133 of the Companies Act, 2013, and the relevant provisions thereof.

#### b) Basis of Preparation:

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use. The Company has prepared these Financial Statements as per the format prescribed in Schedule III to the Companies Act, 2013.

#### C) Functional and Presentation Currency:

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Lakhs unless otherwise stated.

#### D) Use of Estimates:

The preparation of the Financial Statements in conformity with the Ind AS requires Management to make estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities, disclosure of contingent liabilities as on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### E) Classification of Assets and Liabilities as Current and Non-Current:

All Assets and Liabilities have been classified as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realisation in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of Current and Non-Current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

### III. Significant Accounting Policies:

#### a) Property, Plant and Equipments (PPE):

PPE are stated at cost of acquisition (net of Tax / Duty credit availed) or construction less accumulated depreciation and impairment loss, if any. Cost includes any directly attributable cost of bringing each asset to its working condition for intended use.

Assets under installation or under construction as at Balance Sheet date are shown as Capital work in progress together with project expenses.

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance are capitalised and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised.

#### Decommissioning Liability:

Cost of PPE also includes the estimate of the costs of dismantling and removing the item and restoring the land back on vacant conditions at the end of lease period. The Company has estimated such costs being the present value of future liability for decommissioning. Such costs are capitalized and a provision of the equivalent amount has been created. The provision is periodically increased by adding the interest cost at the IRR determined by the Company.

#### Disposal of Assets:

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

#### Intangible Assets:

Intangible Assets are stated at cost of acquisition less accumulated depreciation & impairment loss, if any.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### b) Depreciation & Amortization:

The Company depreciates PPE over their estimated useful lives as per the provisions of the Schedule II of the Companies Act, 2013. The estimated useful lives of PPE are as follows:

Sr. No.	Particulars	Useful Life	Method
1.	Factory Buildings	30	WDV
2.	Non Factory Buildings	60	WDV
3.	Plant, Machinery & Equipments*	05-20	WDV
4.	Furniture, Fixtures and office equipments*	05-10	WDV
5.	Motor Vehicles	08-10	WDV
6.	Computers & other IT Assets	03	WDV
7.	Roads & Drainage*	20	WDV
8.	Intangible Assets*	03	WDV



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

\*Based on technical evaluation, the Management believes that the useful lives as given above best represents the period over which Management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

In respect of incremental cost arising on account of realized / notional gain / loss on foreign currency liability for acquisition of fixed assets, depreciation is provided over the remaining residual life of the respective assets.

Assets individually costing Rs.5,000 and below are fully depreciated in the period of acquisition in the year of acquisition.

Right to use assets (Lease Hold Land) is amortised on straight line method over the period of lease.

Depreciation methods, useful lives and residual values are reviewed at least at the end of each financial year.

### c) Investment Properties:

Investment properties held to earn rentals or for capital appreciation or both are stated in the Balance Sheet at cost, less accumulated depreciation and subsequent impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss. Transfer to, or from, investment property is done at the carrying amount of the property.

### d) Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date to determine if there is any indication of impairment based on internal / external factors. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. The impairment loss recognized in the prior accounting years is reversed if there has been a change in the estimate of recoverable amount.

### e) Assets held for Sale:

The Company recognize Assets for Sale of those assets which are not in use and identified for sale / disposal. The same is valued at net carrying amount or realizable value whichever is lower.

### f) Investments:

#### Investment in subsidiary & associates

The investments are classified as Non-current Investment and the same is accounted at Cost.

#### Other Investments

Current investments are carried at the lower of cost or quoted / fair value, computed category-wise.

### g) Valuation of Inventories:

Inventories of raw materials, stores, spares, machinery parts, building materials, loose tools etc. are valued at weighted average cost, after providing for obsolescence, if any.

Work in process is valued at cost.

Finished goods & Stock-in-trade are valued at lower of cost or net realizable value.

The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and related production overheads.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion costs necessary to make the sale.

Stock of scrap is valued at realizable value.

Biological assets other than bearer plants which are matured and have market value are valued at fair value Biological Assets which are immature are valued at cost.

### **h) Revenue Recognition:**

Revenue is recognized on transfer of significant risks and rewards of ownership to the buyer and are adjusted for discounts (net), Taxes and foreign exchange differences. Turnover is net of Goods & Service Tax collected on behalf of the Government.

Revenue from contracts with customers is recognised in accordance with Ind AS 115, when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

Export Incentive Scheme Benefits are recognized on accrual basis.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Dividend income from investments purchased is recognised when the shareholder's right to receive payment has been established.

Rental income from investment properties and subletting of properties is recognised on a straight line basis over the term of the relevant leases.

Insurance and other claims, to the extent considered recoverable, are accounted for in the year of claim.

### **i) Cash and Cash Equivalents:**

Cash and cash equivalents comprise cash on hand, Cash at Bank and demand deposits with banks which are subject to an insignificant risk of change in value.

### **j) Research and Development Expenditure:**

Revenue expenditure on research & development is charged to Profit & Loss account and capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

### **k) Employee Benefits:**

Contribution to Provident Fund is accounted for on accrual basis. The Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust is not lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous' Provisions Act, 1952 and shortfall, if any, is made good by the Company. Such shortfall on account of interest, if any, is recognized in the Statement of Profit and Loss.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

Company's defined contributions made to Pension Fund of Government and Superannuation Scheme of Life Insurance Corporation of India are charged to the Statement of Profit and Loss on accrual basis.

Contribution to Gratuity Fund and provision for Leave Encashment is based on actuarial valuation carried out as on the Balance Sheet date as per Projected Unit Credit Method.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains or losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income.

### **l) Earnings Per Share(EPS):**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

The number of equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### **m) Foreign Currency Transactions:**

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions.

Foreign currency current assets and current liabilities outstanding at the balance sheet date are translated at the exchange rate prevailing on that date and the resultant gain or loss is recognized in the Statement of Profit & Loss.

Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition or construction of fixed assets, in which case they are adjusted to the carrying cost of such assets in accordance with the exemption under Para D13AA of Ind AS 101.

### **n) Financial Instruments:**

#### **Financial Assets :**

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt'.

All Financial Assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

#### **Trade Receivables:**

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised at transaction value and subsequently measured at transaction value less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

### **Financial assets at Fair Value through Profit and Loss (FVTPL):**

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Company designates an investment that is not held for trading at FVTOCI at initial recognition.

### **Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.**

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

### **Derecognition of Financial Assets:**

The Company derecognises a financial asset on trade date only when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the statement of profit and loss. Cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### **Financial Liability:**

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial Liabilities are subsequently carried at amortized cost using the effective interest method, except for loans where the difference between IRR and normal rate of interest was immaterial.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for employee share-based payment, leasing transactions, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets. The basis of fair valuation of these items are given as part of their respective accounting policies.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

### **Derivative Financial Instruments:**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

### **Trade and Other Payables:**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

### **Other Financial Liabilities:**

Other financial liabilities, including borrowings are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **o) Borrowing Cost:**

Borrowings costs that are attributable to the acquisition or construction of qualifying assets are capitalized upto the date when they are ready for their intended use and other borrowing costs are charged to profit and loss account.

### **p) Taxation:**

Provision for Taxation is determined on the basis of the Taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961.

Deferred Tax resulting from "temporary difference" between the carrying amount of an asset or liability in the balance sheet and its tax base book profit and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be adjusted in future.

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

### **q) Provisions & Contingent Liabilities / Assets:**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flow to settle the present obligation, its carrying amount is the present value of



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement. Contingent liabilities are not recognised but are disclosed in notes.

Contingent Assets are not recognised in financial statements but are disclosed, since the former treatment may result in the recognition of income that may or may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

### r) Government Grants:

Incentive received from the Government under sales tax deferral scheme, which is interest free in nature is determined based on fair value. Fair value is determined on the present value technique based on cash flow payable under the scheme & the same is amortized over the remaining period of sales tax deferral loan.

### s) Leases:

On April 1, 2019, the Company adopted Ind AS 116, Leases. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 Leases. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

#### The Company as lessee:

At the inception of the contract, the Company assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For the purpose of identifying if a contract contains a lease, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and
- (iii) the Company has the right to direct the use of the asset.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.





## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The right-of-use assets are initially recognized at cost. Cost includes the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the useful life of the underlying asset or the lease term whichever is shorter. Right of use assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### t) Recent accounting pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

### u) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

The estimates and judgements involves 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.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable
- Estimated useful life of PPE & intangible assets
- Estimation of defined benefit obligation
- Recognition of revenue
- Recognition of deferred tax assets for carried forward tax losses
- Impairment of trade receivables and other financial assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.



# Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

## Note 2 | PROPERTY, PLANT AND EQUIPMENT

Sr. no.	Particulars	Property Plant and Equipment					Total Property Plant and Equipment	Right of use assets		Total Right of use assets	Grand Total	
		Freehold Land	Leasehold Land	Buildings	Plant and Machinery	Furniture and fixtures		Other Assets	Lease hold land [Finance Lease]			Lease hold land [Right of use assets]
	<b>Gross carrying value as at April 01, 2019</b>	<b>61.61</b>	<b>162.04</b>	<b>22,392.95</b>	<b>2,15,144.15</b>	<b>604.19</b>	<b>1,424.23</b>	<b>2,39,789.17</b>	-	-	-	<b>2,39,789.17</b>
1	Additions	-	-	684.06	7,837.73	61.04	73.29	8,656.12	-	-	-	8,656.12
2	Reclassification on account of Ind AS 116 adoption	-	(162.04)	-	-	-	-	(162.04)	162.04	-	162.04	-
3	Impact of adoption of Ind AS 116	-	-	-	-	-	-	-	-	56.91	56.91	56.91
4	Reclassified as held for sale	-	-	-	-	-	-	-	-	-	-	-
5	Effect of foreign exchange (gain) / loss	-	-	-	(13.89)	-	-	(13.89)	-	-	-	(13.89)
6	Deletions	-	-	-	(73.21)	-	-	(73.21)	-	-	-	(73.21)
	<b>Gross carrying value as at March 31, 2020</b>	<b>61.61</b>	<b>-</b>	<b>23,077.01</b>	<b>2,22,894.78</b>	<b>665.23</b>	<b>1,497.52</b>	<b>2,48,196.15</b>	<b>162.04</b>	<b>56.91</b>	<b>218.95</b>	<b>2,48,415.10</b>
	<b>Accumulated Depreciation as at April 01, 2019</b>	<b>-</b>	<b>-</b>	<b>13,469.64</b>	<b>1,26,387.64</b>	<b>326.49</b>	<b>1,182.06</b>	<b>1,41,365.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,41,365.83</b>
1	Depreciation	-	-	861.13	15,540.54	64.39	125.36	16,591.42	-	2.09	2.09	16,593.51
2	Assets held for sale	-	-	-	-	-	-	-	-	-	-	-
3	Effect on foreign currency	-	-	-	-	-	-	-	-	-	-	-
4	Eliminated on disposal of asset	-	-	-	(67.04)	-	-	(67.04)	-	-	-	(67.04)
	<b>Accumulated Depreciation as at March 31, 2020</b>	<b>-</b>	<b>-</b>	<b>14,330.77</b>	<b>1,41,861.14</b>	<b>390.88</b>	<b>1,307.41</b>	<b>1,57,890.21</b>	<b>-</b>	<b>2.09</b>	<b>2.09</b>	<b>1,57,892.30</b>
	<b>Net carrying value as at March 31, 2020</b>	<b>61.61</b>	<b>-</b>	<b>8,746.24</b>	<b>81,033.64</b>	<b>274.35</b>	<b>190.10</b>	<b>90,305.94</b>	<b>162.04</b>	<b>54.82</b>	<b>216.86</b>	<b>90,522.80</b>
	<b>Gross carrying value as at April 01, 2020</b>	<b>61.61</b>	<b>-</b>	<b>23,077.01</b>	<b>2,22,894.78</b>	<b>665.23</b>	<b>1,497.52</b>	<b>2,48,196.15</b>	<b>162.04</b>	<b>56.91</b>	<b>218.95</b>	<b>2,48,415.10</b>
1	Additions	-	-	1,057.21	7,047.81	16.52	78.90	8,200.44	-	-	-	8,200.44
2	Reclassified as held for sale	-	-	-	-	-	-	-	-	-	-	-
3	Effect of foreign exchange (gain) / loss	-	-	-	-	-	-	-	-	-	-	-
4	Deletions	-	-	(1.42)	(3,735.96)	-	(11.68)	(3,749.06)	-	-	-	(3,749.06)
	<b>Gross carrying value as at March 31, 2021</b>	<b>61.61</b>	<b>-</b>	<b>24,132.80</b>	<b>2,26,206.63</b>	<b>681.75</b>	<b>1,564.74</b>	<b>2,52,647.53</b>	<b>162.04</b>	<b>56.91</b>	<b>218.95</b>	<b>2,52,866.48</b>
	<b>Accumulated Depreciation as at April 01, 2020</b>	<b>-</b>	<b>-</b>	<b>14,330.77</b>	<b>1,41,861.14</b>	<b>390.88</b>	<b>1,307.41</b>	<b>1,57,890.21</b>	<b>-</b>	<b>2.09</b>	<b>2.09</b>	<b>1,57,892.30</b>
1	Depreciation	-	-	970.38	14,120.63	96.61	94.71	15,282.33	-	2.09	2.09	15,284.42
2	Assets held for sale	-	-	-	-	-	-	-	-	-	-	-
3	Effect on foreign currency	-	-	-	-	-	-	-	-	-	-	-
4	Eliminated on disposal of asset	-	-	(1.40)	(3,017.33)	-	(11.61)	(3,030.34)	-	-	-	(3,030.34)
	<b>Accumulated Depreciation as at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>15,299.75</b>	<b>1,52,964.44</b>	<b>487.49</b>	<b>1,390.51</b>	<b>1,70,142.19</b>	<b>-</b>	<b>4.18</b>	<b>4.18</b>	<b>1,70,146.38</b>
	<b>Net carrying value as at March 31, 2021</b>	<b>61.61</b>	<b>-</b>	<b>8,833.05</b>	<b>73,242.18</b>	<b>194.26</b>	<b>174.23</b>	<b>82,505.33</b>	<b>162.04</b>	<b>52.73</b>	<b>214.76</b>	<b>82,720.10</b>

1. Lease hold land represents the amount paid to Karnataka Industrial Area Development Board (KIADB), Bangalore against allotment of land at Kesaroli Village Haliyal on Lease cum sale basis.

2. During the current year, foreign exchange fluctuation gain amounting to Rs. Nil (Previous year : Gain of ₹ 13.89 Lakhs) has been capitalized to the block of plant & machinery pursuant to Notification no. G.S.R. 913(E) dated 29.12.2011, applicable up to March 31, 2020.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

		As at	
		March 31, 2021	March 31, 2020
<b>Note 3</b>	<b>CAPITAL WORK-IN-PROGRESS</b>		
	<b>Opening Balance</b>	<b>5,532.28</b>	<b>3,703.75</b>
	Add: Additions during the year	5,499.62	10,017.60
		<b>11,031.90</b>	<b>13,721.35</b>
	Less: Capitalised during the year	8,562.89	8,189.07
	<b>Closing Balance</b>	<b>2,469.01</b>	<b>5,532.28</b>
<b>Note 4</b>	<b>INTANGIBLE ASSETS</b>		
	Computer Software		
	Cost	649.95	638.09
	Additions	111.29	11.86
	<b>Closing gross value</b>	<b>761.24</b>	<b>649.95</b>
	Accumulated amortization	596.27	553.26
	Amortization expense	64.14	43.01
	<b>Closing accumulated amortization</b>	<b>660.41</b>	<b>596.27</b>
	<b>Net Carrying Value of Intangible Assets</b>	<b>100.83</b>	<b>53.68</b>
<b>Note 5</b>	<b>BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS</b>		
	<b>Opening balance</b>	<b>760.43</b>	<b>1,146.94</b>
	Expenses during the year	106.95	98.54
	Consumption during the year	(138.50)	(485.05)
	<b>Closing balance</b>	<b>728.88</b>	<b>760.43</b>
	<b>Reconciliation</b>		
	<b>Non-current assets</b>		
	Immature crops [Refer Note no.48]	684.49	760.03
	<b>Total non-current assets</b>	<b>684.49</b>	<b>760.03</b>
	<b>Current assets</b>		
	Matured crops	44.39	0.40
	<b>Total current assets</b>	<b>44.39</b>	<b>0.40</b>
	<b>Total Biological Assets Other Than Bearer Plants</b>	<b>728.88</b>	<b>760.43</b>



# Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 6   INVESTMENTS	As at	
	March 31, 2021	March 31, 2020
<b>Non Current</b>		
<b>Investment in Subsidiaries</b>		
<b>Quoted (at cost)</b>		
2,87,13,400 Equity Shares (Previous Year : 2,87,13,400 Equity Shares) of ₹ 10 each of Andhra Paper Limited (Formerly known as International Paper APPM Limited)	91,159.94	91,159.94
<b>Unquoted (at cost)</b>		
19,940 Equity Shares (Previous Year : 19,940 ) of ₹ 10 each of West Coast Opticable Limited	1.99	1.99
<b>Total Investments in Subsidiaries</b>	<b>91,161.93</b>	<b>91,161.93</b>
<b>Investment in Associates*</b>		
<b>Unquoted (at cost)</b>		
18,50,130 Equity Shares (Previous Year 18,50,130) of ₹ 10 each of Speciality Coatings & Lamination Limited	-	-
<b>Total Investment in Associates</b>	<b>-</b>	<b>-</b>
<b>Total Investment in Subsidiaries and Associates</b>	<b>91,161.93</b>	<b>91,161.93</b>
<b>Others</b>		
<b>Quoted (at fair value through Profit or Loss)</b>		
5,42,399 Equity Shares (Previous Year : 5,42,399 ) of ₹10 each of Jayashree Chemicals Ltd	17.63	15.62
<b>Unquoted (at fair value through Profit or Loss)</b>		
20,943 Equity Shares (Previous Year : 20,943 ) of ₹10 each of Kilkotagiri and Thirumbadi Plantations Ltd.,	35.27	35.27
37 Equity Shares ( Previous Year : 37) of ₹ 100 each of Placid Limited	0.01	0.01
	<b>52.91</b>	<b>50.90</b>
<b>Investments in Government securities (at amortised cost)</b>		
6 Year National Savings Certificate	0.10	0.10
<b>Total of Other Investments</b>	<b>53.01</b>	<b>51.00</b>
<b>Total of Non-Current Investments</b>	<b>91,214.94</b>	<b>91,212.93</b>
<b>Current</b>		
<b>Unquoted</b>		
<b>Total of Current Investments</b>	<b>-</b>	<b>-</b>
<b>Total of Current and Non-current Investments</b>	<b>91,214.94</b>	<b>91,212.93</b>
Aggregate cost of quoted investments	91,254.91	91,254.91
Aggregate market value of quoted investments	62,914.33	40,673.80
Aggregate amount of unquoted investments	37.37	37.37

\* Investment in associates are valued at ₹ Nil due to erosion in net worth of associate companies resulting in impairment of value recognised in earlier years. The cost of investment was ₹ 185.01 Lakhs.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 7	LOANS	As at	
		March 31, 2021	March 31, 2020
	<b>Non-current</b>		
	<b>Total of Non-Current Loans</b>	-	-
	<b>Current</b>		
	<b>Unsecured considered good</b>		
	a) Loan to employees	39.14	53.27
	b) Loans to related parties (Subsidiary)	1,063.00	244.95
	<b>Total of Current Loans</b>	<b>1,102.14</b>	<b>298.22</b>
	<b>Total of Current and Non-Current Loans</b>	<b>1,102.14</b>	<b>298.22</b>

Note 8	OTHER FINANCIAL ASSETS (Unsecured considered good unless otherwise stated)		
	<b>Non-current</b>		
	Security deposit	238.94	189.39
	<b>Total Non-Current Other Financial Assets</b>	<b>238.94</b>	<b>189.39</b>
	<b>Current</b>		
	Security deposit*	173.45	211.19
	<b>Total Current Other Financial Assets</b>	<b>173.45</b>	<b>211.19</b>
	<b>Total of Other Financial Assets</b>	<b>412.39</b>	<b>400.58</b>

\* includes security deposit with related parties ₹ 48.30 Lakhs (Previous Year - ₹ 46.05 Lakhs)

Note 9	OTHER NON-CURRENT ASSETS		
	Capital advances	74.13	191.38
	Deposit with customs	51.42	50.00
	Prepaid expenses	1.27	1.99
	<b>Total Other Non-Current Assets</b>	<b>126.82</b>	<b>243.37</b>

Note 10	CURRENT TAX ASSETS (NET)		
	Advance tax / Tax paid at source (net of provision)* (Refer Note No. 38(1)(b))	617.37	804.80
	<b>Total of Current Tax Assets (Net)</b>	<b>617.37</b>	<b>804.80</b>

\* Provision for tax ₹ Nil and Advance Tax ₹ 43.74 Lakhs is pertaining to current year.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 11   DEFERRED TAX ASSETS (NET)	As at	
	March 31, 2021	March 31, 2020
Deferred tax liabilities on account of WDV of fixed assets	(9,841.32)	(12,010.41)
	<b>(9,841.32)</b>	<b>(12,010.41)</b>
Deferred tax assets on account of :		
Disallowances under section 43B of Income Tax Act	(793.38)	(656.10)
Adjustments to Ind AS	(1,633.27)	(1,465.07)
Tax holiday period	(1.03)	(2.46)
Provision for doubtful debts	(179.87)	(168.45)
	<b>(2,607.55)</b>	<b>(2,292.08)</b>
Total Deferred Tax Liabilities	(7,233.77)	(9,718.32)
Less: MAT Credit (Entitlement) / Reversal*	(14,074.78)	(14,393.35)
<b>Total Deferred Tax Assets (Net)</b>	<b>6,841.01</b>	<b>4,675.03</b>

\* Management expects that it would earn sufficient taxable income in future and therefore will be in a position to pay normal tax within the period specified under the Income Tax Act, 1961 and accordingly MAT credit entitlement has been recognized.

Note 12   INVENTORIES		
Raw Materials *	3,932.97	7,749.87
Work in progress	455.46	645.27
Finished Goods	5,003.49	7,975.86
Stores and spares #	14,192.47	15,592.63
Loose tools	328.38	317.33
Stock at scrap	134.47	137.84
<b>Total Inventories</b>	<b>24,047.24</b>	<b>32,418.80</b>

\* includes Raw Material in transit of ₹ 161.72 Lakhs (Previous Year : ₹ 2.43 Lakhs)

# includes Stores and Spares in transit of ₹ 80.12 Lakhs (Previous Year : ₹ 338.38 Lakhs)

Note 13   TRADE RECEIVABLES		
<b>Current</b>		
Considered good - Secured	3,721.49	3,140.18
Considered good - Unsecured *	8,836.67	7,001.02
Credit impaired	514.73	481.87
	<b>13,072.89</b>	<b>10,623.07</b>
Less: Allowances for credit losses	514.73	481.87
<b>Total Trade Receivables</b>	<b>12,558.16</b>	<b>10,141.20</b>

There are no outstanding receivables due from Directors or Key Management Persons of the Company.

\* includes due from subsidiary of ₹ 280.28 Lakhs (Previous Year ₹ 19.70 Lakhs) and from other related party - ₹ 1.84 Lakhs (Previous Year - ₹ 3.67 Lakhs)



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

		As at	
		March 31, 2021	March 31, 2020
<b>Note 14</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Balance with banks		
	In Current account	545.41	124.39
	Cash on hand	9.60	17.47
	<b>Total Cash and Cash Equivalents</b>	<b>555.01</b>	<b>141.86</b>
<b>Note 15</b>	<b>OTHER BANK BALANCES</b>		
	In Unpaid Dividend Accounts	120.62	123.76
	In Margin Money Deposits against Guarantee	133.23	127.88
	<b>Total of Other Bank Balances</b>	<b>253.85</b>	<b>251.64</b>
<b>Note 16</b>	<b>OTHER CURRENT ASSETS</b>		
	Advances other than capital advances		
	a) Payment to Vendors for supply of goods & services	4,753.98	1,617.17
	<b>Others</b>		
	a) Prepaid expenses	727.41	59.76
	b) Other Assets*	149.02	407.39
	c) Balances with Government authorities	79.93	278.07
	<b>Total Other Current Assets</b>	<b>5,710.34</b>	<b>2,362.39</b>
* includes net amount due from subsidiary company of ₹ 3.65 Lakhs (Previous year ₹ 5.76 lakhs)			
<b>Note 17</b>	<b>ASSETS CLASSIFIED AS HELD FOR SALE</b>		
	JFTC Plant	-	6.59
	<b>Total of Assets Classified As Held For Sale</b>	<b>-</b>	<b>6.59</b>
<b>Note 18</b>	<b>EQUITY SHARE CAPITAL</b>		
	<b>Authorized</b>		
	15,00,00,000 (Previous Year : 15,00,00,000) Equity Share ₹ 2/- each	3,000.00	3,000.00
	65,00,000 (Previous Year : 65,00,000) Cumulative Redeemable Non-convertible Preference Shares of ₹ 100 each	6,500.00	6,500.00
	<b>Total</b>	<b>9,500.00</b>	<b>9,500.00</b>
	<b>Issued, Subscribed and Paid-Up</b>		
	6,60,48,908 (Previous Year : 6,60,48,908) Equity Shares ₹ 2/- each fully paid up	1,320.98	1,320.98
	<b>Total Equity Share Capital</b>	<b>1,320.98</b>	<b>1,320.98</b>

### Rights, preference and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

The Company has neither bought back any shares nor issued any bonus shares during five years immediately preceding the Balance Sheet date.

Movements in equity share capital	No. of Shares	₹ in Lakhs
<b>As at April 01, 2019</b>	<b>6,60,48,908</b>	<b>1,320.98</b>
Shares issued during the year	-	-
Shares bought back during the year	-	-
Redemption of shares	-	-
<b>As at March 31, 2020</b>	<b>6,60,48,908</b>	<b>1,320.98</b>
Shares issued during the year	-	-
Shares bought back during the year	-	-
Redemption of shares	-	-
<b>As at March 31, 2021</b>	<b>6,60,48,908</b>	<b>1,320.98</b>

Details of shareholders holding more than 5% shares

Name of share holders	As at			
	March 31, 2021		March 31, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Veer Enterprises Ltd.	1,07,04,054	16.21	1,06,59,054	16.14
Shree Satyanarayan Investments Co. Ltd.	1,04,03,973	15.75	1,03,95,793	15.74
Nippon life India Trustee Ltd A/C (Nippon India Small Cap Fund)	42,78,015	6.48	42,78,015	6.48





## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Note 19 | OTHER EQUITY

Particulars	Reserves & Surplus					Other Comprehensive Income	Total
	Security Premium Account	Retained Earnings	Capital Redemption Reserve	Equity Share warrant forfeited	General Reserve		
Opening as on April 01, 2019	14,572.54	51,655.49	6,500.00	277.50	36,934.35	(909.05)	1,09,030.83
Profit for the year	-	27,640.04	-	-	-	-	27,640.04
Remeasurement of net defined benefit liability/asset ( net of tax )	-	-	-	-	-	(470.81)	(470.81)
Dividends paid (including Dividend Distribution Tax) (including Interim Dividend)	-	(7,967.75)	-	-	-	-	(7,967.75)
<b>Balance as on March 31, 2020</b>	<b>14,572.54</b>	<b>71,327.78</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,379.86)</b>	<b>1,28,232.31</b>
<b>Opening as on April 01, 2020</b>	<b>14,572.54</b>	<b>71,327.78</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,379.86)</b>	<b>1,28,232.31</b>
Profit for the year	-	204.73	-	-	-	-	204.73
Remeasurement of net defined benefit liability/asset ( net of tax )	-	-	-	-	-	85.98	85.98
<b>Balance as on March 31, 2021</b>	<b>14,572.54</b>	<b>71,532.51</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,293.88)</b>	<b>1,28,523.02</b>

The Board of Directors of the Company recommended a Dividend of ₹ 1/- per share (for the year ended March 31, 2020 dividend of ₹ 5.00/- per share) be paid on fully paid Equity Shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The total equity dividend to be paid is ₹ 660.49 Lakhs (for the year ended March 31, 2020 dividend ₹ 3,302.45 Lakhs). Income Tax on proposed dividend is not applicable from April 01, 2020 (for the year ended March 31, 2020 ₹ 678.82 Lakhs). The Company had distributed interim dividend @ ₹ 5/- per share, amounting to ₹ 3302.45 for the year 2019-20. The same has been treated as Final Dividend.

- Security Premium Account :** This Reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.
- Retained Earnings :** This Reserve represents the cumulative profits of the Company and effects of measurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.
- Capital Redemption Reserve :** This Reserve has been created in relation to issuance of debentures and can be utilised in accordance with the provisions of the Companies Act, 2013.
- Equity Share Warrant Forfeited:** This Reserve represents forfeiture of share warrant by failing to meet purchase requirements and can be utilised in accordance with the provisions of the Companies Act, 2013.
- General Reserve :** This Reserve created by an appropriation from one component of Equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.
- Other Comprehensive Income:** Other Comprehensive Income is created in compliance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 20   NON CURRENT BORROWINGS	As at	
	March 31, 2021	March 31, 2020
<b>Non-current Borrowings</b>		
<b>Secured (At amortized cost)</b>		
Non-convertible Debentures (NCD)	15,840.00	19,800.00
<b>Term Loans</b>		
a) From Banks		
Rupee Loans	15,833.33	10,000.00
Foreign Currency Loans	14,694.50	20,339.51
b) Term Loans from Financial Institutions:		
Rupee Loans	-	7,500.00
<b>Total Term Loans</b>	<b>46,367.83</b>	<b>57,639.51</b>
Less: Unamortised value of transaction cost	189.46	311.99
Less: Current maturities of Long Term Borrowings	14,359.97	12,441.76
<b>Total Non-current Term Loans</b>	<b>31,818.40</b>	<b>44,885.76</b>
<b>Unsecured (At amortized cost)</b>		
<b>Other loans</b>		
i) From Others		
Interest Free Loan under Sales Tax Deferment Scheme from State Government of Karnataka	7,937.50	7,737.06
Add: Ind AS Fair value adjustment	134.53	59.55
Less: Current maturity of Long Term Borrowings	250.11	320.20
<b>Total Other Loans</b>	<b>7,821.92</b>	<b>7,476.41</b>
<b>Total Non-Current Borrowings</b>	<b>39,640.32</b>	<b>52,362.17</b>

### Nature of Security

#### Non-Convertible Debentures

- 10.30% p.a. interest bearing 1980 debentures of face value of ₹ 10,00,000 each issued on a private placement basis. NCD's are redeemable at par in 5 equal instalments at the end of 15th, 27th, 39th, 51st and 60th month from the deemed date of allotment on 18.10.2019. NCDs are secured by way of first charge on the entire movable fixed assets of the Company pertaining to the Paper Division at Dandeli, which gives a security cover of minimum 1.25x ranking pari passu with other term loan facilities and pledge over 51% shares of M/s. Andhra Paper Limited.

#### Term loans

- Loan from Axis Bank Limited is secured by way of first charge on the movable fixed assets including plant & machinery of Paper Division at Dandeli, which gives a security cover of minimum 1.25x ranking pari passu with Non Convertible Debentures, other term loan facilities and Short Term Loan from SCB.
- ECB Euro Loan from Standard Chartered Bank (SCB) is secured by way of a first charge on the movable fixed assets of the Company pertaining to the Paper Division at Dandeli ranking pari passu with Non Convertible Debentures, other term loan facilities and Short Term Loan from SCB.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

4. ECB USD loan from Axis Bank Ltd is secured by way of first charge on company's movable fixed assets including plant & machinery of Paper Division at Dandeli, ranking pari passu with Short Term Loan from SCB.
5. Term loan from ICICI Bank is secured by the way of first charge on the movable fixed assets of the company pertaining to Paper Division of Dandeli ranking pari pasu with with Non Convertible Debentures, other term loan facilities and Short Term Loan from SCB.

### Terms of repayment of term loan and other loans

#### As at March 31, 2021

Particulars	Amount Outstanding	Period	Terms of Repayment
Non-Convertible Debentures (10.30%p.a.)	15,840.00	Oct 2019 - Oct 2024	Yearly instalments
<b>Rupee Loan</b>			
Axis Bank Limited (6 Months MCLR + 0.75%)	8,333.33	July 2019 - July 2024	Monthly instalments
ICICI Bank Ltd. (1 Year MCLR + 0.6%)	7,500.00	Sept 2020 - Aug 2024	Quarterly instalments
<b>Foreign Currency Loan:</b>			
Standard Chartered Bank - ECB € Loan (3 Months EURIBOR + 2.9%)	10,854.14	May 2019 - April 2024	Quarterly instalments
Axis Bank Limited - ECB \$ Loan (3 months Libor + 1.75%)	3,840.36	Feb 2020 - Aug 2022	Quarterly instalments
Interest Free Sales tax Loan	7,937.50	June 2014 - June 2025	Yearly instalments
<b>Total term loan</b>	<b>54,305.33</b>		

#### As at March 31, 2020

Particulars	Amount Outstanding	Period	Terms of Repayment
Non-Convertible Debentures (10.30%p.a.)	19,800.00	Oct 2019 - Oct 2024	Yearly instalments
<b>Rupee Loan</b>			
Axis Bank Limited (6 Months MCLR + 0.75%)	10,000.00	July 2019 - July 2024	Monthly instalments
Axis Finance Limited (10.20%p.a.)	7,500.00	Sept 2020 - Aug 2024	Six Monthly instalments
<b>Foreign Currency Loan:</b>			
Standard Chartered Bank - ECB € Loan (3 Months EURIBOR + 2.25%)	13,710.54	May 2019 - April 2021	Quarterly instalments
Axis Bank Limited - ECB \$ Loan (3 months Libor + 1.75%)	6,628.97	Feb 2020 - Aug 2022	Quarterly instalments
Standard Chartered Bank - ECB \$ Loan (3 Months LIBOR + 1.75%)	-	Aug 2017 - Feb 2020	Quarterly instalments \$ 9.97 million balance taken over by Axis Bank Ltd.
Interest Free Sales tax Loan	7,737.03	June 2014 - June 2025	Yearly instalments
<b>Total term loan</b>	<b>65,376.57</b>		



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

	As at	
	March 31, 2021	March 31, 2020
<b>Note 21   OTHER FINANCIAL LIABILITIES</b>		
<b>Non-current</b>		
<b>Others -</b>		
Dealer Deposits	4,225.11	3,998.42
Deferred Government Grant	1,687.48	2,208.13
Lease liability	53.01	53.59
<b>Total Non-Current Other Financial Liabilities</b>	<b>5,965.60</b>	<b>6,260.14</b>
<b>Current</b>		
Current maturities of long term debts	14,610.08	12,761.96
Current maturities of Deferred Government Grant	520.65	520.65
Interest accrued but not due on borrowings	389.54	538.71
Unpaid dividend	120.62	123.76
Other financial liabilities	7,061.06	6,932.39
Payable on purchase of fixed assets	203.40	879.03
Lease liability	0.57	0.52
<b>Total Current Other Financial Liabilities</b>	<b>22,905.92</b>	<b>21,757.02</b>
<b>Total Other Financial Liabilities</b>	<b>28,871.52</b>	<b>28,017.16</b>
<b>Note 22   PROVISIONS</b>		
<b>Non-current</b>		
Provision for Employee benefit	535.27	500.77
<b>Total Non-Current Provisions</b>	<b>535.27</b>	<b>500.77</b>
<b>Current</b>		
Provision for Employee benefit	605.31	1,062.15
<b>Total Current Provisions</b>	<b>605.31</b>	<b>1,062.15</b>
<b>Total Provisions</b>	<b>1,140.58</b>	<b>1,562.92</b>
<b>Note 23   OTHER NON-CURRENT LIABILITIES</b>		
Decommissioning & Dismantling liability	7,568.59	7,209.76
<b>Total Other Non-Current Liabilities</b>	<b>7,568.59</b>	<b>7,209.76</b>
<b>Reconciliation</b>		
Opening Balance	7,209.76	6,833.56
Unwinding of discounts and effect of change in discount rate	358.83	376.20
Reduction arising from payments	-	-
<b>Closing balance</b>	<b>7,568.59</b>	<b>7,209.76</b>



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

		As at	
		March 31, 2021	March 31, 2020
<b>Note 24</b>	<b>CURRENT BORROWINGS</b>		
	<b>Current</b>		
	<b>Secured</b>		
	Loan repayable on demand from banks*	8,571.03	8,838.56
	<b>Total Current Borrowings</b>	<b>8,571.03</b>	<b>8,838.56</b>
* The short term loans from Banks are secured by Joint Hypothecation of Stores, Spares, Raw Materials, Stock-in-process, Finished Goods, Book Debts etc., ranking pari-passu charge			
<b>Note 25</b>	<b>TRADE PAYABLES</b>		
	<b>Trade Payables</b>		
	Micro, Small and Medium Enterprises [Refer Note no. 50]		
	Other payables	1,384.07	463.45
	Due to subsidiaries	-	-
	<b>Others</b>		
	Other payables	5,595.90	7,393.57
	<b>Total Trade Payables</b>	<b>6,979.97</b>	<b>7,857.02</b>
<b>Note 26</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Statutory liabilities	773.25	481.45
	Other liabilities	6,068.83	3,944.27
	<b>Total Other Current Liabilities</b>	<b>6,842.08</b>	<b>4,425.72</b>



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

		For the year ended	
		March 31, 2021	March 31, 2020
<b>Note 27</b>	<b>REVENUE FROM OPERATIONS</b>		
	<b>Sales of Products</b>		
	Paper and Board	1,28,092.06	1,86,579.35
	Cables	8,072.59	10,657.76
	Wind Power	17.32	14.11
	<b>Other Operating Revenues</b>		
	Export Promotion Incentive	46.70	88.48
	Scrap Sales	611.18	775.08
	<b>Total Revenue from Operations</b>	<b>1,36,839.85</b>	<b>1,98,114.78</b>
<b>Note 28</b>	<b>REVENUE FROM TRADING OPERATIONS</b>		
	Revenue from Trading Operations	-	130.62
	<b>Total Revenue from Trading Operations</b>	<b>-</b>	<b>130.62</b>
<b>Note 29</b>	<b>OTHER INCOME</b>		
	<b>Interest Income</b>		
	From Banks	18.02	81.42
	From Others	134.32	1,265.43
	<b>Other Non - Operating Income</b>		
	Profit on sale of Property, Plant & Equipment	56.39	6.17
	Rent received	106.81	96.51
	Income from government grant	520.65	537.48
	Profit on sale / fair value of Investment	2.01	1,651.80
	Liabilities and provisions written back	31.78	1,007.24
	Others	125.47	112.98
	<b>Total Other Income</b>	<b>995.45</b>	<b>4,759.03</b>
<b>Note 30</b>	<b>COST OF MATERIALS CONSUMED</b>		
	Pulp Wood, Pulp & Waste Paper	43,079.84	66,442.32
	Optical Fiber, PBT, HDPE & Others	5,413.33	6,595.07
	Chemicals & Dyes	16,312.95	25,893.99
	Packing Materials	4,067.17	5,450.87
	<b>Total Cost of Materials Consumed</b>	<b>68,873.29</b>	<b>1,04,382.25</b>
<b>Note 31</b>	<b>PURCHASES OF STOCK IN TRADE</b>		
	Purchase of Trading Goods	-	90.02
	<b>Total Purchases of Stock in Trade</b>	<b>-</b>	<b>90.02</b>



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

		For the year ended	
		March 31, 2021	March 31, 2020
<b>Note 32</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS</b>		
	<b>Opening Stock of Finished Goods</b>		
	- Paper and Board	7,589.27	3,111.36
	- O. F. C. Cables, etc.	386.59	331.91
		<b>7,975.86</b>	<b>3,443.27</b>
	<b>Closing Stock of Finished Goods</b>		
	- Paper and Board	4,761.64	7,589.27
	- O. F. C. Cables, etc.	241.85	386.59
		<b>5,003.49</b>	<b>7,975.86</b>
	Change in Inventory of Finished Goods	<b>2,972.37</b>	<b>(4,532.59)</b>
	Opening Stock of Work-in-progress	645.27	522.00
	Closing Stock of Work-in-progress	455.46	645.27
	<b>Change in inventory of Work-in-progress</b>	<b>189.81</b>	<b>(123.27)</b>
	<b>Total Change in Inventory of Finished Goods &amp; WIP</b>	<b>3,162.18</b>	<b>(4,655.86)</b>
<b>Note 33</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	Salaries, Wages, Bonus, Allowances, etc.	14,191.94	13,921.56
	Contribution to Provident & Other Funds	1,178.78	1,102.24
	Staff Welfare Expense	1,051.23	977.25
	<b>Total Employee Benefits Expense</b>	<b>16,421.95</b>	<b>16,001.05</b>
<b>Note 34</b>	<b>FINANCE COSTS</b>		
	<b>Interest Expense :</b>		
	Term Loans	4,124.95	3,098.19
	Others	1,263.18	1,802.77
	Interest cost on Sales Tax Loan	595.63	619.08
	Other Borrowing Costs	227.15	218.25
	Net Loss / (Gain) on Foreign Currency Transactions & Translation	307.26	1,466.05
	<b>Total Finance Costs</b>	<b>6,518.17</b>	<b>7,204.34</b>
<b>Note 35</b>	<b>DEPRECIATION AND AMORTISATION EXPENSE</b>		
	Depreciation on Property, Plant and Equipment	15,282.33	16,591.42
	Amortisation of Intangible Assets	64.14	43.01
	Amortization of Right of use Assets	2.09	2.09
	<b>Total Depreciation and Amortisation</b>	<b>15,348.56</b>	<b>16,636.52</b>



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 36   OTHER EXPENSES	For the year ended	
	March 31, 2021	March 31, 2020
Consumption of stores & spare parts	4,945.89	6,189.67
Power, coal and water	15,893.44	17,529.83
Rent	375.44	342.10
Repair and maintenance of buildings	1,444.70	1,597.32
Repair and maintenance of plant and machinery	1,210.07	1,521.52
Repair and maintenance of other assets	396.60	404.58
Insurance	687.75	156.38
Rates & taxes	72.27	52.27
Research & development expenses	28.08	45.11
Miscellaneous expenses	1,384.34	2,790.24
Payments to auditors (Refer Note 51)	39.75	33.40
Foreign exchange variation	-	29.56
Forwarding charges on sales	846.90	994.94
Commission on sales	611.62	743.12
Provision for doubtful debts (net)	32.86	109.31
Provision for diminution in value of investment	-	23.59
Commission to director	-	1,309.26
Directors' fees	17.70	14.20
Charity & donations	28.30	32.10
Corporate social responsibility expenses (Refer Note 49)	559.40	359.19
Loss on discard of assets	697.85	-
Loss on sale of Property, Plant & Equipment	-	3.82
Loss of stock due to fire (net)	-	26.53
<b>Total Other Expenses</b>	<b>29,272.96</b>	<b>34,308.04</b>





## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 37   INCOME TAX EXPENSE	For the year ended	
	March 31, 2021	March 31, 2020
<b>Current Tax Expense</b>		
Current Tax on profits for the year	-	4,842.82
Current Tax on profits for earlier years	199.45	(93.15)
MAT Credit (Entitlement) / Reversal for the year	-	(1,231.51)
MAT Credit (Entitlement) / Reversal for earlier years	318.56	(135.30)
<b>Total Current Tax Expense</b>	<b>518.01</b>	<b>3,382.86</b>
<b>Deferred Tax</b>		
<b>Decrease / (increase) in deferred tax assets</b>		
Property, Plant and Equipment	(2,169.08)	(1,836.57)
<b>(Decrease) / increase in deferred tax liabilities</b>		
Disallowance under section 43B	(137.28)	(162.66)
Tax holiday period	1.43	96.77
Adjustments to Ind AS	(168.20)	(44.11)
Provision for doubtful debts	(11.42)	(38.26)
<b>Total Deferred Tax Expense / (Income)</b>	<b>(2,484.55)</b>	<b>(1,984.83)</b>
<b>Total Income Tax Expense</b>	<b>(1,966.54)</b>	<b>1,398.03</b>

Note 38   CONTINGENT LIABILITIES AND COMMITMENTS	As at	
	March 31, 2021	March 31, 2020
<b>Contingent Liabilities &amp; Commitments</b>		
<b>a. Contingent Liabilities :</b>		
I. Claims against the Company not acknowledged as debts in respect of		
a. Income tax matters, pending decisions on various appeals made by the Company and by the Department (refer Note I below) (refund adjusted against demand ₹ 664 Lakhs, Previous Year ₹ 662 Lakhs)	3,012.30	3,117.08
b. Excise matters & Service Tax under dispute	89.63	62.07
c. Custom matter under dispute	540.27	540.27
d. Other matters under dispute	82.78	2,182.78
II. Other money for which the company is contingently liable :		
- Corporate Guarantee given to Subsidiary's Bankers (at the close of the year)	337.50	375.00
<b>b. Commitments :</b>		
I. Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advance of ₹ 865.53 Lakhs - Previous Year ₹ 195.91 Lakhs)	420.99	2,141.09



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Notes :

#### I. Income Tax

- a. The Income Tax assessments of the Company have been completed up to AY 2016-17.
- b. In the books of accounts, the company is accounting Income tax refunds after adjustment of tax demands by Income Tax authorities, if any. The matters are pending before High Court and ITAT for various issues. Based on legal opinion the Company is contesting those tax demands / disallowances at appropriate level. The company has therefore not recorded adjustment of taxes/order in books.
- c. MATERIAL DEMANDS AND DISPUTES CONSIDERED AS "REMOTE" BY THE COMPANY:  

The Company claimed deduction under Section 80 IA of the Income Tax Act 1961 in its return of Income for Power Undertaking for Financial Year 1998-99 to 2019-20 and for Effluent (Water) treatment for financial year 2016-17 to 2019-20. The assessing officer disallowed the benefit of deductions at assessment stage. Company had preferred appeals with Commissioner Appeals and / or ITAT. The ITAT partly allowed the appeals of the company. Department / Company have preferred appeal against the order of ITAT. As advised by legal advisors, Company has a strong case / merit for claiming the deduction and thus expects a favorable outcome.
- d. The total demand outstanding as on 31.03.2021 on account of income tax dues is ₹ 3012.30 lakhs (₹ 3117.08 lakhs), net of tax paid/adjusted under protest ₹ 664 Lakhs.

#### Note 39 | LOAN PURCHASE AGREEMENT

The Company had entered into a loan purchase agreement with ICICI Bank Ltd. for ₹ 4000 Lakhs in respect of borrowings of Shree Rama Newsprint Limited (SRNL) after sale of its investment in shares of SRNL. The loan purchase agreement stipulates that upon occurrence of default ICICI Bank Ltd. will have "a right" to require the Company to purchase the loan outstanding of SRNL along with transfer of underlying security by ICICI Bank Ltd., to the Company. The outstanding balance as at March 31, 2021 of SRNL loan is ₹ 3600.50 Lakhs with principal repayment due by June 30, 2025. The Company does not foresee any event of default, further the security value is significantly higher than the outstanding loan balance and hence no liability is envisaged in this respect.

#### Note 40

During the year, a supplier has made an unsubstantiated claim of approximately ₹ 3600 Lakhs against the Cable division of the company for alleged breach of contract and has initiated Arbitration proceedings against the company and the trial is yet to commence. Based on the available facts of the case, the company has been legally advised that they have a strong case to defend, basis which the management presently does not envisage any material liability in this regard.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(All amounts of ₹ in Lakhs, except share data and unless otherwise stated)

Note 41	EARNINGS PER SHARE [EPS] COMPUTED IN ACCORDANCE WITH IND AS 33 :	For the year ended	
		March 31, 2021	March 31, 2020
	<b>Earnings</b>		
	Profit / (Loss) for the year	204.73	27,640.04
	<b>Shares</b>		
	Number of shares at the beginning of the period	6,60,48,908	6,60,48,908
	Add : Shares issued during the period	-	-
	Total number of equity shares outstanding at the end of the period	6,60,48,908	6,60,48,908
	Weighted average number of equity shares outstanding during the period	6,60,48,908	6,60,48,908
	Earnings per share (Basic / Diluted) (Face value ₹ 2/- per share)	0.31	41.85

### Note 42 RELATED PARTY DISCLOSURES AS PER IND AS 24

#### 1. Relationship

##### a. Associate Company

- 1) Speciality Coatings and Laminations Ltd.

##### b. Subsidiary Company

- 1) West Coast Opticable Limited
- 2) Andhra Paper Ltd (w.e.f 30.10.2019)

##### c. Enterprises where principal shareholders have control

- 1) Veer Enterprises Ltd.
- 2) Shree Satyanarayan Investments Company Ltd.
- 3) Siddhi Trade & Holdings Pvt. Ltd.
- 4) Rangnath Bangur Charitable Trust
- 5) Shree Ram Trust
- 6) Bangur Trust
- 7) The Marwar Textiles Agency Pvt. Ltd.
- 8) Kilkotagiri & Thirumbadi Plantations Ltd.

##### d. Key Management Personnel (KMP)

- 1) Shri S.K.Bangur (Chairman & Managing Director)
- 2) Shri Virendraa Bangur (Joint Managing Director) ( w.e.f June 26, 2020)
- 3) Shri Rajendra Jain (Executive Director)
- 4) Shri Brajmohan Prasad (Company Secretary)

##### e. Relative of Key Management Personnel

- 1) Smt. Shashi Bangur
- 2) Shri Saurabh Bangur

##### f. Company in which Director is common

- 1) Gloster Cables Ltd.



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### g. Non-Executive / Independent Directors on the Board

- 1) Smt Shashi Bangur
- 2) Shri Saurabh Bangur
- 3) Shri P N Kapadia
- 4) Shri Amitav Kothari
- 5) Shri Sudarshan Somani
- 6) Smt Arpita Vinay (w.e.f June 26, 2020)
- 7) Shri Shiv Ratan Goenka (w.e.f January 29, 2021)

### h. Post Employment Benefit Plan

- 1) Employees Provident Fund of West Coast Paper Mills Ltd.
- 2) Gratuity Fund of West Coast Paper Mills Ltd.

## II. The following is a summary of related party transactions

Particulars	As at	
	March 31, 2021	March 31, 2020
i. Rent paid to :		
1) Veer Enterprises Ltd.	127.72	115.18
2) Shree Satyanarayan Investment Company Ltd.	87.23	71.68
3) Siddhi Trade & Holdings Pvt. Ltd.	17.57	16.23
4) Shri S. K. Bangur	23.54	22.41
5) Smt. Shashi Bangur	4.80	4.80
6) The Marwar Textiles Agency Pvt Ltd.	0.65	0.65
ii. Charity & Donations :		
1) Rangnath Bangur Charitable Trust	20.00	30.00
2) Shree Ram Trust	4.00	2.10
3) Bangur Trust	4.00	-
iii. Compensation to KMP :		
Salary & other Employee benefits to Directors and Executive Officers	485.47	1,669.98
iv. Compensation to Shri Virendraa Bangur	-	25.37
v. Purchases from Gloster Cables Ltd.	98.82	114.24
vi. Rent received from Gloster Cables Ltd.	11.61	10.80
vii. Sales to Kilkotagiri & Thirumbadi Plantations Ltd.	4.28	1.87
viii. Sales to West Coast Opticable Ltd.	284.39	233.61
ix. Electricity, Water and other charges recovered from West Coast Opticable Ltd.	40.94	24.07
x. Rent received from West Coast Opticable Ltd.	65.14	31.39
xi. Job work charges paid to West Coast Opticable Ltd.	477.26	439.43
xii. ICD given to West Coast Opticable Ltd.	823.00	-
xii. Repayment of ICD received from West Coast Opticable Ltd.	-	626.00
xiii. Interest on ICD received from West Coast Opticable Ltd.	31.66	24.50



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
xiv Rental expenses paid to Andhra Paper Ltd.	7.86	1.08
xv Raw Materials purchased from Andhra Paper Ltd.	1,053.86	-
xvi Professional charges recovered from Andhra Paper Ltd.	32.00	5.33
xvii Rent recovered from Andhra Paper Ltd.	4.80	1.51
xviii Contribution to Post Employment Benefit Plan		
1) Employees Provident Fund of West Coast Paper Mills Ltd.	538.66	508.96
2) Gratuity Fund of West Coast Paper Mills Ltd.	237.99	170.02

### III. The Company has the following amounts due to/from related parties :

Particulars	As at	
	March 31, 2021	March 31, 2020
i. Due to related Parties		
1) Gloster Cables Ltd. - Purchases	-	11.71
2) Employees Provident Fund of West Coast Paper Mills Ltd.	48.90	44.70
3) Gratuity Fund of West Coast Paper Mills Ltd.	159.64	678.14
ii. Due from related Parties		
1) Veer Enterprises Ltd. - Security Deposit	24.60	22.35
2) Shree Satyanarayan Investments Company Ltd. - Security Deposit	21.10	21.10
3) Smt. Shashi Bangur - Security Deposit	2.40	2.40
4) The Marwar Textiles Agency Pvt Ltd.	0.20	0.20
5) Killotagiri & Thirumbadi Plantations Ltd. - Sales	1.84	3.67
6) West Coast Opticable Ltd. - Unsecured Loans - ICD	1,063.00	240.00
7) West Coast Opticable Ltd.- Trade receivable	280.28	18.30
8) West Coast Opticable Ltd.- Interest on ICD	-	4.95
9) Andhra Paper Ltd.	3.65	5.76

#### Note 43

Disclosure as per Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013.

Company	Maximum Balance Outstanding during		Amount Outstanding as on	
	2020-21	2019-20	31st March, 2021	31st March, 2020
West Coast Opticable Ltd.				
a) Inter Corporate Deposits	1,063.00	866.00	1,063.00	240.00
b) Corporate Guarantee	375.00	450.00	337.50	375.00



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Note 44 | EMPLOYEE BENEFIT PLANS

As per Ind AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

#### [A] Defined Contribution Plan

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

Particulars	For the year	
	2020-21	2019-20
Employer's Contribution to Provident Fund/Pension Fund	900.17	866.63
Employer's Contribution to Superannuation Fund	32.93	35.14

#### [B] Defined Benefit Plan

The following table sets out the status of the Gratuity Plan as required under IND AS-19 :

#### Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Opening defined benefit obligation	3708.67	3032.20
Current service cost	191.67	158.34
Interest cost	253.30	235.30
Benefits paid	(195.64)	(114.30)
Actuarial losses / (gain)	108.36	397.13
Obligations at the end of the period	4,066.36	3,708.67

#### Change in Plan Assets

Particulars	For the year	
	2020-21	2019-20
Opening fair value of plan assets	3030.54	2881.69
Interest income on plan assets	206.99	223.62
Return on Plan Assets, excluding interest income	194.34	(73.67)
Contributions by employer	670.50	113.20
Benefits paid	(195.65)	(114.30)
Closing fair value of plan assets	3,906.72	3,030.54

#### Amount recognized in Balance Sheet

Present value of funded obligations	(4,066.36)	(3,708.67)
Fair Value of Plan Asset	3,906.72	3,030.54
Net Asset / (Liability)	(159.64)	(678.13)



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Expense recognised in statement of Profit and Loss Account

Current service cost	191.67	158.34
Interest Cost	253.30	235.30
Interest income on Plan Assets	(206.99)	(223.62)
Net Income / Expenses recognized in Statement of Profit & Loss	237.99	170.02

### Expense recognised in OCI

Actuarial (Gain) / Losses on Obligation for the period	108.36	397.14
Return on Plan Assets, Excluding Interest Income	(194.34)	73.67
Net (Income) / Expenses recognized in OCI	(85.98)	470.81

### Sensitivity Analysis

Effect of +1% increase in discount rate	(201.78)	(189.25)
Effect of -1% decrease in discount rate	227.16	213.42
Effect of +1% increase in salary rate	238.66	224.20
Effect of -1% decrease in salary rate	(214.76)	(201.38)
Effect of +1% increase in employee turnover	106.78	101.89
Effect of -1% decrease in employee turnover	(116.93)	(111.70)

### Maturity Profile of projected benefit obligation from the fund

Particulars	For the year	
	2020-21	2019-20
1st following year	1,059.95	936.03
2nd following year	289.62	220.24
3rd following year	387.13	366.26
4th following year	341.62	345.90
5th following year	256.25	300.13
Sum of years 6 to 10	1,553.70	1,307.30
Sum of years 11 and above	2,541.97	2,458.71

### Category of Plan Assets

Managed by:		
LIC	58.82%	56.43%
Aditya Birla Capital	1.65%	1.83%
ICICI Prudential Life Insurance	39.53%	41.74%



# Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

## Financial assumptions at the valuation date

Discount rate	6.85%	6.83%
Estimated rate of return on Plan Assets	6.85%	6.83%
Salary escalation over and above highest of salary in grade	1.00%	1.00%

Note 45	DIVIDEND REMITTANCE TO FOREIGN INVESTORS (INR)	As at 2019-20		
		As at 2020-21	Final of 2018 - 19	Interim & Final of 2019 - 20
	Number of non-resident shareholders	-	464	488
	Number of shares held by them on which dividend was paid	-	2,88,340	2,86,769
	Amount remitted - net of tax ( ₹ lakhs)	-	14.42	14.34

## Note 46 | SEGMENT INFORMATION

Pursuant to Ind AS 108 – Segment Reporting, information about Business Segments (Information provided in respect of revenue items for the year ended March 31, 2021 and in respect of assets / liabilities as at March 31, 2021 ) is disclosed as under :

- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Unallocable”.
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as “Unallocable”.

Particulars	Paper		Cables		Others		Unallocable		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>Segment Revenue</b>										
Turnover	1,28,719.26	1,87,371.62	8,103.27	10,859.67	17.32	14.11			1,36,839.85	1,98,245.40
<b>Total Turnover</b>	<b>1,28,719.26</b>	<b>1,87,371.62</b>	<b>8,103.27</b>	<b>10,859.67</b>	<b>17.32</b>	<b>14.11</b>			<b>1,36,839.85</b>	<b>1,98,245.40</b>
Segment result before Interest and Taxes	4,309.78	33,635.01	787.46	2,028.70	(8.63)	(1.46)			5,088.61	35,662.25
Less: Finance Cost							6,518.17	7,204.34	6,518.17	7,204.34
Less: Other expenditure							332.25	(580.16)	332.25	(580.16)
Profit / (Loss) Before Tax							(6,850.42)	(6,624.18)	(1,761.81)	29,038.07
Current Tax							199.45	4,749.67	199.45	4,749.67
MAT Credit (Entitlement) / Reversal							318.56	(1,366.81)	318.56	(1,366.81)
Deferred Tax							(2,484.55)	(1,984.83)	(2,484.55)	(1,984.83)
<b>Profit / (Loss) for the year</b>							<b>(4,883.88)</b>	<b>(8,022.21)</b>	<b>204.73</b>	<b>27,640.04</b>





## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Particulars	Paper		Cables		Others		Unallocable		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>Other Informations</b>										
Segment Assets	2,21,973.29	2,32,977.10	7,433.70	6,798.31	51.10	51.19	-	-	2,29,458.09	2,39,826.60
Segment Liabilities	98,003.89	1,09,689.56	1,610.20	583.75	-	-	-	-	99,614.09	1,10,273.31
Capital Expenditure	5,158.71	10,025.63	89.77	513.91	-	-	-	-	5,248.48	10,539.54
Depreciation/Amortisation	15,203.84	16,520.42	144.66	116.03	0.06	0.08	-	-	15,348.56	16,636.52

As at

March 31, 2021      March 31, 2020

### Note 47 | EVENT OCCURRING AFTER BALANCE SHEET DATE

Dividend proposed for equity share holders @ ₹ 1 /- per share (Previous Year ₹ Nil per share)	660.49	-
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# The Company had distributed interim dividend @ ₹ 5/- (250%) per equity share, amounting to ₹ 3302.45 Lakhs for the year 2019-20. The same has been treated as Final Dividend.

**Note 48** | As per Ind AS 41 on "Agriculture" the company has fair valued its matured crops except for the crops fully matured at its Kuluwali plantation, Karnataka, since there is an on-going litigation and same will be accounted in the books of accounts upon the final disposal of the case.

### Note 49 | EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITIES

[a] Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of Companies Act, 2013 read with schedule VII are as below :

Particulars	For the year ended	
	2020-21	2019-20
Gross amount required to be spent by the Company during the year	559.40	663.80
Amount spent during the year	559.40	359.19
Health care	66.75	14.31
Education and skill development	160.33	263.51
Protection of natural resources and sustainability	16.83	14.63
Safe drinking water	33.09	16.46
Sports and games	4.98	11.43
Rural development support	3.95	18.77
Others	57.59	20.08
On going projects for 2020-21		
-Spent during the year	9.50	-
-Unspent amount carried forward ( since deposited into "Unspent CSR Bank Account" )	206.38	215.88
	<b>559.40</b>	<b>359.19</b>



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Note 50 | THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of The Micro, Small and Medium Enterprises Development Act, 2006, are given below :

Particulars	As at	
	March 31, 2021	March 31, 2020
a. Principal amount remaining unpaid to suppliers at the end of the year	1384.07	463.45
b. Interest due thereon remaining unpaid to suppliers at the end of the year	-	-
c. The amount of interest paid along with the amounts of the payment made to suppliers beyond the appointed day	-	-
d. The amount of interest due and payable	-	-
e. The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
	<b>1384.07</b>	<b>463.45</b>

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
<b>Note 51   OTHER DISCLOSURE REQUIRED BY STATUTE</b>		
<b>Auditor's Remuneration ( including taxes)</b>		
<b>1. Statutory Auditors</b>		
I. Audit fees	18.00	18.00
ii. Limited review under listing agreement	7.00	3.00
iii. Taxation matters	5.00	5.00
Vi. Other services	6.50	-
V. Reimbursement of expenses	2.04	6.15
	<b>38.54</b>	<b>32.15</b>
<b>2. Cost Auditors</b>		
I. Audit fee	1.20	1.20
ii. Reimbursement of expenses	0.01	0.05
	<b>1.21</b>	<b>1.25</b>



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Particulars

### For the year ended

March 31, 2021      March 31, 2020

#### Note 52 | INCOME TAX

##### a. Amount recognised in Statement of Profit and Loss

##### Current Income Tax

- Current Year	-	4,842.82
- Previous Years	199.45	(93.15)
- MAT Credit Entitlement / reversed	318.56	(1,366.81)
<b>Total</b>		
<b>Deferred Tax</b>	(2,484.55)	(1,984.83)
<b>Income Tax Expense reported in the Statement of Profit and Loss</b>	<b>(1,966.54)</b>	<b>1,398.03</b>

##### b. Reconciliation of effective tax rate

Profit before tax	(1,761.81)	29,038.08
Tax at applicable statutory income tax rate	(615.65)	10,147.06
Effect of various disallowance of expenses	206.67	159.69
Effect of deduction under chapter via of Income Tax act	-	(4,923.96)
Effect of reinstatement on Ind AS adoption	120.68	(105.89)
Effect of Ind AS adjustments to reduce DTL	(337.60)	(213.51)
Effect of timing differences in depreciation	(1.94)	(167.82)
Other differences	627.84	(52.76)
Tax expense recognised in statement of profit and loss	-	4,842.82

#### Note 53 | INFORMATION RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (IND AS 110)

The company is listed on stock exchange in India, the Company has prepared consolidated financials as required under Ind AS110, Section 129 of Companies Act, 2013 and listing requirements. The consolidated financial statement is available on Company's web site for public use.



# Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

## Note 54 | FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### Categories of Financial Instruments

#### Financial Assets

Sl. No	Particulars	Note	As at			
			March 31, 2021		March 31, 2020	
			Carrying Value	Fair Value *	Carrying Value	Fair Value *
<b>1 Financial Assets Designated at Fair Value through Profit or Loss</b>						
i)	Derivatives - not designated as hedging instruments		-	-	-	-
ii)	Investment in Equity Shares	6	52.91	52.91	50.90	50.90
iii)	Investment in Mutual Funds		-	-	-	-
<b>2 Financial Assets designated at Fair Value through Other Comprehensive Income</b>						
i)	Investment in Equity Shares		-	-	-	-
<b>3 Financial Assets designated at Amortised Cost</b>						
i)	Investment in equity shares		-	-	-	-
ii)	Investment in government securities	6	0.10	0.10	0.10	0.10
iii)	Trade receivables	13	12,558.16	12,558.16	10,141.20	10,141.20
iv)	Cash and cash equivalents	14	555.01	555.01	141.86	141.86
v)	Other bank balances	15	253.85	253.85	251.64	251.64
vi)	Loans to subsidiary/employees	7	1,102.14	1,102.14	298.22	298.22
vii)	Other financial assets	8	412.39	412.39	400.58	400.58
4	Investment in subsidiary company	6	91,161.93	91,161.93	91,161.93	91,161.93

\* There are no Financial Assets or Liabilities which fall under level 2 &amp; 3.

#### Financial Liabilities

Sl. No	Particulars	Note	As at			
			March 31, 2021		March 31, 2020	
			Carrying Value	Fair Value*	Carrying Value	Fair Value*
<b>1 Financial Liability Designated at Fair Value through Profit or Loss</b>						
i)	Derivatives - not designated as hedging instruments		-	-	-	-
<b>2 Financial Liability designated at Amortised Cost</b>						
i)	Borrowings	20,21,24	62,821.43	62,821.43	73,962.69	73,962.69
ii)	Trade payables	25	6,979.97	6,979.97	7,857.02	7,857.02
iii)	Other financial liability	21	11,879.11	11,879.11	12,348.55	12,348.55
iv)	Lease Liability	21	53.58	53.58	53.59	53.59

The fair value of financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



# Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

## Note 55 | FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND DISCLOSURES

### 1 Financial Risk

The Company's operational activities expose to various financial risks i.e., market risk, credit risk and risk of liquidity. The company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk & interest rate risk. The Company uses derivative financial instruments to reduce foreign exchange risk exposures.

#### i Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types i.e., currency rate, interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

#### a Foreign currency risk and sensitivity

The primary market risk to the company is foreign exchange risk. The Company uses derivative financial instruments to reduce foreign exchange risk exposure and follows its risk management policies to mitigate the same. After taking cognizance of the natural hedge, the company takes appropriate hedges to mitigate its risk resulting from fluctuation in foreign currency exchange rate(s).

Particulars	USD / EURO outstanding in terms of ₹ Lakhs	
	March 31, 2021	March 31, 2020
<b>Financial Assets</b>		
Trade receivables	0.48	14.81
<b>Financial Liabilities</b>		
Trade payables	127.51	81.47
Borrowings	14,694.50	20,339.51
Interest accrued but not due	70.29	109.50
<b>Net Assets / Liabilities</b>	<b>14,891.82</b>	<b>20,515.67</b>

The following significant exchange rates have been applied;

(Currency in ₹)

Particulars	As at	
	March 31, 2021	March 31, 2020
USD	73.11	75.63
Euro	85.75	82.83



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Foreign currency sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upto conversion into functional currency, due to exchange rate fluctuation between the previous reporting period and the current reporting period.

0.25% increase and decrease in foreign exchanges rates will have the following impact on profit before tax

(₹ In Lakhs)

Particulars	2020-21		2019-20	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD / EURO Sensitivity	(37.23)	37.23	(51.29)	51.29

Summary of exchange difference accounted in Statement of Profit and Loss :

(₹ In Lakhs)

Currency fluctuations	For the year ended	
	March 31, 2021	March 31, 2020
Net foreign exchange (gain)/ losses shown as operating expenses	(54.53)	29.56
Net foreign exchange (gain)/ losses shown as finance cost	307.26	1,466.05
<b>Total</b>	<b>252.73</b>	<b>1,495.61</b>

### b. Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The Company has entered into various interest rate swap contracts, in which it agrees to exchange, at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed upon principal amount. Borrowings at variable rates expose the Company to cash flow interest rate risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the company and impact of floating rate borrowings on company's profitability.

#### Interest rate risk exposure

Particulars	For the year ended			
	March 31, 2021		March 31, 2020	
Fixed rate borrowings	-	-	-	-
Variable rate borrowings	14,694.50	100%	20,339.51	100%
<b>Total</b>	<b>14,694.50</b>	<b>100%</b>	<b>20,339.51</b>	<b>100%</b>

#### Sensitivity on variable rate borrowings

Particulars	Impact on Profit and Loss A/c		Impact on Equity	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	Interest rate increase by 0.25%	(36.74)	(50.85)	(36.74)
Interest rate decrease by 0.25%	36.74	50.85	36.74	50.85



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### ii Credit Risk

The Company evaluates the customer credentials carefully from trade sources before appointment of any distributor and only financially sound parties are appointed as distributors. The Company secures adequate deposits from its distributor and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances / deposits and credit limit determined by the company. The company have stop supply mechanism in place in case outstanding goes beyond agreed limits

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 8836.67 Lakhs and ₹ 7001.02 Lakhs as of March 31, 2021 and March 31, 2020, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account as per the Company's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Revenue from top customer	6.85%	6.56%
Revenue from top five customers	23.34%	25.18%

### a Credit risk exposure

The allowance for life time expected credit loss on customer balances for the year ended 31st March 2021 was ₹ 514.73 Lakhs

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Balance at the beginning	481.87	372.56
Impairment loss reversed	0.00	(15.91)
Additional provision created during the year (net)	32.86	125.22
Balance at end	514.73	481.87

### b Ageing analysis of Trade Receivables (Unsecured)

Particulars	As at March 31, 2021				As at March 31, 2020			
	Not due	Upto 6 months	6 - 12 months	Above 12 months	Not due	Upto 6 months	6 - 12 months	Above 12 months
Unsecured	7691.23	662.36	67.32	415.76	4647.83	1382.95	392.71	577.53



## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### iii Liquidity Risk

Liquidity risk arises when the Company will not be able to meet its present and future cash and collateral obligations. The risk management action focuses on the unpredictability of financial markets and tries to minimise adverse effects. The Company uses derivative financial instruments to hedge risk exposures. Risk management is carried out by the Finance department under Forex Policies as adopted and duly approved by the Board. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and company monitors rolling forecasts of its liquidity requirements.

**The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2021.**

Particulars	Carrying amount	Less than 1 Year	1 - 5 Years	More than 5 Years	Total
Borrowings - Current	23,181.11	23,181.11	-	-	23,181.11
Borrowings - Non-current	39,640.32	-	39,640.32	-	39,640.32
Trade payables	6,979.97	6,979.97	-	-	6,979.97
<b>Other financial liabilities</b>					
a) Interest accrued but not due on loans	389.54	389.54	-	-	389.54
b) Lease liability	53.58	0.57	3.49	49.52	53.58
c) Deferred government grant	2,208.13	520.65	1,687.48	-	2,208.13
d) Unpaid dividend	120.62	120.62	-	-	120.62
e) Other financial liabilities	7,061.06	7,061.06	-	-	7,061.06
f) Payable on purchase of fixed assets	203.40	203.40	-	-	203.40
g) Trade deposits	4,225.11	-	4,225.11	-	4,225.11

**The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2020.**

Particulars	Carrying amount	Less than 1 Year	1 - 5 Years	More than 5 Years	Total
Borrowings - Current	21,600.52	21,600.52	-	-	21,600.52
Borrowings - Non-current	52,362.17	-	52,362.17	-	52,362.17
Trade payables	7,857.02	7,857.02	-	-	7,857.02
<b>Other financial liabilities</b>					
a) Interest accrued but not due on loans	538.71	538.71	-	-	538.71
b) Lease liability	54.11	0.52	3.49	50.10	54.11
c) Deferred government grant	2,728.78	520.65	2,084.03	124.10	2,728.78
d) Unpaid dividend	123.76	123.76	-	-	123.76
e) Other financial liabilities	6,932.38	6,932.38	-	-	6,932.38
f) Payable on purchase of fixed assets	879.03	879.03	-	-	879.03
g) Trade deposits	3,998.42	-	3,998.42	-	3,998.42





## Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### 2 Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

### 3 Capital risk management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the Company may use appropriate means to enhance or reduce capital, as the case may be.

Particulars	March 31, 2021	March 31, 2020
Borrowings	62,821.43	73,962.69
Less: Cash and Cash equivalents including bank balance	555.01	141.86
Less: Current investments	-	-
<b>Net Debt</b>	<b>62,266.42</b>	<b>73,820.83</b>
Equity	1,29,844.00	1,29,553.29
<b>Capital and Net Debt</b>	<b>192110.42</b>	<b>203374.12</b>
<b>Gearing Ratio {Net debt / Capital and net debt}</b>	<b>32.41%</b>	<b>36.30%</b>

### Note 56 | DERIVATIVE FINANCIAL INSTRUMENTS

- a The Company has variable interest foreign currency borrowings. To offset the risk of variation in interest rates, the Company has entered into fix pay and variable receipt, interest rate swaps. Outstanding amortised notional value of loan for swap contracts and MTM taken there on are as follows :

Particulars	March 31, 2021		March 31, 2020	
	FC in Mn	MTM in ₹ Lakhs	FC in Mn	MTM in ₹ Lakhs
US Dollar	22.68	(168.43)	0.375	(120.59)
EURO	21.24	(214.41)	-	-
	<b>43.92</b>	<b>(382.84)</b>	<b>0.375</b>	<b>(120.59)</b>

- b Foreign currency exposure not hedged as at the Balance Sheet date

The foreign currency exposures that have not been specifically hedged by a derivative instrument or otherwise are given below:

Particulars	March 31, 2021		March 31, 2020	
	FC in Mn	MTM in ₹ Lakhs	FC in Mn	MTM in ₹ Lakhs
US Dollar*	3.84	2,803.94	8.63	6,511.33
Euro	12.66	10,854.14	16.55	13,710.54
JPY	-	-	27.08	188.53
	<b>16.50</b>	<b>13658.08</b>	<b>52.26</b>	<b>20,410.40</b>

\* Net of receivables - US Dollar 0.001 Million - ₹ 0.48 Lakhs (Previous Year US Dollar 0.016 Million - ₹ 12.14 Lakhs)



# Notes to Standalone Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

## Note 57 | LEASE ASSET

Impact of Ind AS 116 on the statement of profit and loss :

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Interest on lease liabilities	5.29	5.33
Depreciation on right of use assets	2.09	2.09
Less: Lease rental paid	5.81	5.81
Less : Amortisation of prepayment of leasehold land	0.00	0.00
<b>Impact on the Statement of Profit and Loss for the year</b>	<b>1.57</b>	<b>1.61</b>

**Note 58** Due to COVID 19 and frequent lock down in several parts of the country, the demand for Paper had got impacted adversely. With the Government relaxing the restrictions in a phased manner and improvement in economic activities, the demand had picked up slowly through the quarters and peaked in Q4, 2021. However, with educational institutions remaining closed and people adopting safer working environment by working from home resulting in lower office activities, the demand of writing and printing largely remained subdued impacting the overall performance of the company for the year ended March 31, 2021. Further, the disruptions emerging out of 2nd wave of Pandemic may impact the subsequent period's performance.

The Company has made an assessment of possible impacts that may result from the COVID-19 pandemic on the carrying value of Property, Plant & Equipment, Investments, MAT credit entitlements and other current and non-current assets, considering the internal and external information available and has concluded that no material adjustments are required at this stage in the financial statements. However, due to uncertainties around COVID 19, the eventual impact of it may differ from that estimated as at the date of approval of these financial statements, and the Company will continue to closely monitor any material changes to future economic conditions.

**Note 59** Previous year's figures have been regrouped and reclassified wherever necessary.

**Note 60** The financial statements are approved and adopted by Board of Directors of the Company in their meeting held on June 24, 2021.

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date

For **Singhi & Co.**

Chartered Accountants

Firm Registration No. 302049E

**Sudesh Choraria**

Partner

M.No. 204936

Place: Dandeli

Date: June 24, 2021

### For and on behalf of the Board

**S. K. Bangur**

Chairman & Managing Director

**Virendraa Bangur**

Joint Managing Director

**Rajendra Jain**

Executive Director & CFO

**Saurabh Bangur**

Vice Chairman

**Brajmohan Prasad**

Company Secretary

**Shashi Bangur**

**P. N. Kapadia**

**Amitav Kothari**

**Sudarshan Somani**

**Arpita Vinay**

**Shiv Ratan Goenka**

Directors



## Form AOC - I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies / Joint Ventures

### Part - "A" : Subsidiaries

(₹ In Lakhs)

Sl. No.	Particulars	West Coast Opticable Limited
1	Financial Year ended on	March 31, 2021
2	Reporting Currency	Indian Rupees
3	Share Capital	2.00
4	Reserve & Surplus / (Accumulated Losses)	(37.77)
5	Total Assets	1829.58
6	Total Liabilities	1829.58
7	Investments	-
8	Total Turnover	650.96
9	Profit / (Loss) before tax	(59.44)
10	Provision for Income Tax	(8.07)
11	Profit / (Loss) after tax	(51.37)
12	Proposed Dividend	-
13	% of Shareholding	100%

Sl. No.	Particulars	Andhra Paper Limited
1	Financial Year ended on	March 31, 2021
2	Reporting Currency	Indian Rupees
3	Share Capital	3977.00
4	Reserve & Surplus / (Accumulated Losses)	93544.51
5	Total Assets	133258.91
6	Total Liabilities	35737.40
7	Investments	21925.50
8	Total Turnover	88674.83
9	Profit / (Loss) before tax	(619.79)
10	Provision for Income Tax	(159.93)
11	Profit / (Loss) after tax	(459.86)
12	Proposed Dividend	-
13	% of Shareholding	72.20%

**Form AOC - I** (contd.)**Part - "B" : Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies**

(₹ In Lakhs)

Sl. No.	Particulars	Speciality Coatings & Lamination Limited
1	Financial Year / period ended on	March 31, 2021
2	Shares of Associate held by the company on the year end	
	a. Number of Equity Shares	1,850,130
	b. Amount of investment in Associate *	-
	c. Extent of holding %	37.33%
3	Description of how there is significant influence	Based on shareholding
4	Reason why the associate is not considered for consolidation*	-
5	Net worth attributable to Shareholding as per latest Un-audited Balance Sheet	(183.38)
6	Loss for the year	(4.74)
	i) Considered in consolidation	Nil
	ii) Not considered in consolidation	(4.74)

\*Investment value is ₹ 185.01 Lakhs which was fully impaired in earlier years.

**For and on behalf of the Board**

**S. K. Bangur**  
Chairman & Managing Director

**Saurabh Bangur**  
Vice Chairman

**Virendraa Bangur**  
Joint Managing Director

**Rajendra Jain**  
Executive Director & CFO

**Brajmohan Prasad**  
Company Secretary

**Shashi Bangur**

**P. N. Kapadia**

**Amitav Kothari**

**Sudarshan Somani**

**Arpita Vinay**

**Shiv Ratan Goenka**

Directors

Place: Dandeli  
Date: June 24, 2021



# Independent Auditor's Report

## To the Members of West Coast Paper Mills Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of **West Coast Paper Mills Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on the separate financial statements of subsidiaries as was audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the Group as at March 31, 2021, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Emphasis of Matter

We draw attention to below referred Notes to the Consolidated Financial Statements

- i) Note 57 regarding the ongoing litigation in case of one of the subsidiaries with respect to the levy of electricity duty by the State Government of Andhra Pradesh on consumption of electricity by captive generating units and the interim orders of the Hon'ble Supreme Court of India on hearing the Special Leave Petition filed by the subsidiary. On grounds of prudence and abundant caution, a provision of ₹ 3,143.24 lakhs (including ₹ 785.81 lakhs on account of business combination) has been created in view of the inherent uncertainty in predicting the final outcome of the above litigation. Additionally, an amount of ₹ 785.81 lakhs has been treated as contingent liability. Based on the legal advice obtained, in the opinion of the management no further provision would be required in relation to this disputed matter.
- ii) Note 61 regarding uncertainty around the impact of COVID 19 on the operations and recoverability of carrying value of current and non current assets of the Group which is presently not ascertainable.

Our opinion on the consolidated financial statements is not modified in respect of above matters.

#### Key Audit Matters

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



## Independent Auditor's Report (Contd.)

Key Audit Matters	How our audit addressed the Key Audit Matter
<p><b>1. Revenue Recognition (Refer Note 1 (III) (g) and 27 to the Consolidated Financial Statements)</b></p> <p>Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods to a customer. The revenue recognition occurs at a point in time when the control of the goods is transferred to the customer.</p> <p>We focused on this area as a key audit matter as the value is significant and inherent risk exists of revenue being recognized before the control is transferred, including risk of incorrect timing of estimation related to recording the discounts and rebates.</p>	<p>As part of our audit procedures, we:</p> <ul style="list-style-type: none"> <li>➤ Read the Group's accounting policy for revenue recognition and assessed compliance with the requirements of Ind AS 115.</li> <li>➤ Evaluated the design, tested the implementation and operating effectiveness of the Group's internal controls including general IT controls and key IT application controls over recognition of revenue.</li> <li>➤ On a sample basis, tested supporting documentation for sales transactions which included sales invoices, customer contracts, and shipping documents.</li> <li>➤ Tested revenue samples focused on sales recorded immediately before the year-end, obtained evidence as regards timing of revenue recognition, based on terms and conditions of sales contracts and delivery documents.</li> <li>➤ Assessed disclosures in financial statements in respect of revenue, as specified in Ind AS 115.</li> </ul>
<p><b>2. Provisions and contingent liabilities related to taxation, litigation and claims (Refer Note 38 and 57 to the Consolidated Financial Statements)</b></p> <p>The Group has ongoing litigations with various regulatory and tax authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its reliable estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.</p> <p>Due to the level of judgement relating to recognition, valuation and presentation of provisions and contingent liabilities, this is considered to be a key audit matter</p>	<p>As part of our audit procedures, we:</p> <ul style="list-style-type: none"> <li>➤ Obtained an understanding of management's process to identify new obligations and changes in existing obligations for compliance with Ind AS 12 – Income Taxes and Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.</li> <li>➤ Analysed significant changes in material provisions from prior periods and obtained a detailed understanding of these changes and assumptions applied.</li> <li>➤ Our audit procedures related to material provisions recognised and contingent liabilities disclosed in the Consolidated Financial Statements included: <ul style="list-style-type: none"> <li>• Assessment of the recognition criteria for the liability;</li> <li>• Evaluation of the methodology adopted by management for the measurement of the liability;</li> </ul> </li> </ul>



## Independent Auditor's Report *(Contd.)*

Key Audit Matters	How our audit addressed the Key Audit Matter
	<ul style="list-style-type: none"> <li>• Assessment of the other key measurement assumptions and inputs.</li> <li>• We have obtained opinions and confirmations from internal /external experts and legal counsel, where necessary, which we have relied upon.</li> <li>➤ We reviewed the minutes of the Board meetings including other committees to evaluate the process and controls over obligations operated by management.</li> <li>➤ Testing of the mathematical accuracy of the measurement calculation;</li> <li>➤ We assessed the appropriateness of the presentation of the most significant contingent liabilities in the financial statements.</li> </ul>
<b>Impairment assessment of non-current assets (Refer note no. 61 to the Consolidated Financial Statements)</b>	
<p>The Group's operations were impacted by outbreak of Covid 19 and resultant restrictions imposed to control its spread. With reduction in number of impacted cases and consequent lifting of restriction, demand had gradually picked up slowly and increased by the end of the year. Since offices have adopted safe working environment and schools / other educational institutions remained closed, the demand for writing printing paper had been passive impacting business performance for the year ended March 21 for the group. Consequently, management carried out impairment assessment of one of the key items of group financials viz. "Goodwill" by determining the "value in use".</p> <p>The "value in use" is determined by forecasting future cash flows, wherein management judgment is involved with respect to demand, price, long term growth rates and discount rate.</p> <p>Considering the judgement required for estimating the cash flows and the assumptions used, this is considered as a key audit matter.</p>	<p>We performed following procedures on the impairment assessment by the Group:</p> <ul style="list-style-type: none"> <li>➤ Assessment of various assumptions;</li> <li>➤ Analysis and comparison of the assumptions with historical records;</li> <li>➤ Performed reasonableness testing revenue growth, EBIDTA margins etc. in calculating value in use;</li> <li>➤ Involved internal valuation specialist to review the workings and methodology of determining value in use;</li> </ul>

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

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our Auditors' Report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.



## Independent Auditor's Report *(Contd.)*

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

### **Responsibilities of Management for the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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.





## Independent Auditor's Report *(Contd.)*

- 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the consolidated 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 Auditors' Report. However, future events or conditions may cause the Group (Holding Company and Subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



## Independent Auditor's Report *(Contd.)*

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

### Other Matter

We did not audit the financial statements of two subsidiaries whose audited financial statements / audited fit for consolidation financial statements reflect total assets of 1,35,088.49 lakhs as at March 31, 2021, total revenues of ₹ 89,148.91 lakhs, total net (loss) after tax of ₹ 511.23 lakhs, total comprehensive income/ (loss) of ₹ (114.88) lakhs and net cash inflow of ₹ 110.32 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiaries as was audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2021 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 Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer



## Independent Auditor's Report *(Contd.)*

to our separate Report in "Annexure A".

- g) With respect to the matter to be included in the Auditors' Report under section 197(16): In our opinion and according to the information and explanations given to us the remuneration paid during the current year by the Holding Company and its subsidiary companies, where applicable, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under section 197 of the Act,

With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries as noted in the 'Other Matters' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2021 on the consolidated financial position of the Group. Refer Note 38 to the consolidated financial statements;
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 58 to the consolidated financial statements in respect of such items as it relates to the Group
- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended March 31, 2021;

For **Singhi & Co.**  
*Chartered Accountants*  
Firm Registration No: 302049E

**Sudesh Choraria**  
*Partner*  
Membership No: 204936  
UDIN: 21204936AAAAFI5989

Date : June 24, 2021  
Place: Mumbai



## Annexure - A

to the Independent Auditor's Report

(Referred to in paragraph 1 (f) of the Independent Auditors' Report of even date to the members of WEST COAST PAPER MILLS LIMITED on the Consolidated Financial Statements as of and for the year ended March 31, 2021)

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

#### **Opinion**

In conjunction with our audit of the consolidated financial statements of West Coast Paper Mills Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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



## Annexure - A

to the Independent Auditor's Report (*Contd.*)

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

A company's internal financial controls with reference to consolidated financial statements are 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 consolidated 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 consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Singhi & Co.**  
*Chartered Accountants*  
Firm Registration No: 302049E

**Sudesh Choraria**  
*Partner*  
Membership No: 204936  
UDIN: 21204936AAAAFI5989

Date : June 24, 2021  
Place: Mumbai



# Consolidated Balance Sheet

as at March 31, 2021

(₹ in Lakhs)

	Note	As at	
		March 31, 2021	March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2a	1,56,315.89	1,69,753.40
Capital work in progress	3	3,224.02	5,691.78
Goodwill	2b	18,371.29	18,371.29
Intangible assets	2b	11,963.48	12,886.19
Intangible Assets under development		143.83	-
Biological assets other than bearer plants	4	684.49	760.03
<b>Financial Assets:</b>			
i. Other Investments	5	10,782.51	1,815.00
ii. Loans	6	400.00	-
iii. Other financial assets	7	624.03	1,129.65
Other non-current assets	8	3,532.13	3,751.25
Current Tax Assets (net)	9	515.88	1,361.71
Deferred Tax Assets (net)	10	6,841.00	4,675.01
<b>Total Non-Current Assets</b>		<b>2,13,398.55</b>	<b>2,20,195.31</b>
<b>Current Assets</b>			
Inventories	11	41,183.79	54,829.10
Biological assets other than bearer plants	4	44.39	0.40
<b>Financial Assets:</b>			
i. Investments	5	11,196.00	2,664.62
ii. Trade receivables	12	20,394.18	14,200.99
iii. Cash and cash equivalents	13	2,099.58	1,576.12
iv. Other bank balances	14	7,047.50	15,928.30
v. Loans	6	6,238.30	4,178.40
vi. Other financial assets	7	509.90	760.14
Other current assets	15	11,465.46	8,539.38
Assets classified as held for sale	16	167.80	214.87
<b>Total Current Assets</b>		<b>1,00,346.90</b>	<b>1,02,892.32</b>
<b>Total Assets</b>		<b>3,13,745.45</b>	<b>3,23,087.63</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	17	1,320.98	1,320.98
Other equity	18	1,37,565.80	1,37,504.00
Non-controlling interest	18	31,577.79	31,595.52
<b>Total Equity</b>		<b>1,70,464.57</b>	<b>1,70,420.50</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
i. Borrowings	19	40,583.03	53,483.15
ii. Other financial liabilities	20	7,008.28	7,855.65
Provisions	21	589.06	850.96
Deferred tax liabilities (net)	22	11,814.21	12,538.17
Other non-current liabilities	23	7,568.59	7,209.76
<b>Total Non-Current Liabilities</b>		<b>67,563.17</b>	<b>81,937.69</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
i. Borrowings	24	10,771.03	8,838.56
ii. Trade payables			
a) Micro, Small & Medium Enterprises	25	2,854.74	1,005.98
b) Others	25	17,593.48	19,799.78
iii. Other financial liabilities	20	26,770.74	25,387.63
Provisions	21	8,329.97	8,953.65
Other current liabilities	26	9,397.75	6,743.84
<b>Total Current Liabilities</b>		<b>75,717.71</b>	<b>70,729.44</b>
<b>Total Equity and Liabilities</b>		<b>3,13,745.45</b>	<b>3,23,087.63</b>

The accompanying notes are an integral part of the Consolidated financial statements.

As per our Report of even date

For **Singhi & Co.**

Chartered Accountants

Firm Registration No. 302049E

**Sudesh Choraria**

Partner

M.No. 204936

Place: Dandeli

Date: June 24, 2021

For and on behalf of the Board

**S. K. Bangur**

Chairman &amp; Managing Director

**Virendra Bangur**

Joint Managing Director

**Rajendra Jain**

Executive Director &amp; CFO

**Saurabh Bangur**

Vice Chairman

**Brajmohan Prasad**

Company Secretary

**Shashi Bangur****P. N. Kapadia****Amitav Kothari****Sudarshan Somani****Arpita Vinay****Shiv Ratan Goenka**

Directors



# Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Lakhs)

	Note	For the year ended	
		March 31, 2021	March 31, 2020
<b>REVENUE</b>			
Revenue from Operations	27	2,24,452.90	2,48,929.94
Revenue from Trading Operations	28	-	355.51
Other Income	29	2,466.10	5,359.21
<b>Total Income</b>		<b>2,26,919.00</b>	<b>2,54,644.66</b>
<b>EXPENSES</b>			
Cost of materials consumed	30	1,09,502.85	1,29,460.97
Purchases of stock in trade	31	-	92.73
Changes in inventories of finished goods & work in progress	32	7,829.56	(9,622.86)
Employee benefits expense	33	31,315.15	22,290.75
Finance costs	34	7,011.27	7,495.99
Depreciation and amortization expense	35	22,935.37	19,785.79
Other expenses	36	50,541.27	45,439.74
<b>Total Expenses</b>		<b>2,29,135.47</b>	<b>2,14,943.11</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>(2,216.47)</b>	<b>39,701.55</b>
Exceptions items (Refer Note 59)		(400.66)	-
<b>Profit / (Loss) before tax</b>		<b>(2,617.13)</b>	<b>39,701.55</b>
Income Tax expense	37		
Current Tax		748.38	6,442.45
Mat Credit (Entitlement) / Reversals		318.56	(1,369.80)
Deferred Tax		(3,245.81)	(6,020.52)
<b>Total tax expenses</b>		<b>(2,178.87)</b>	<b>(947.87)</b>
<b>Profit / (Loss) for the period from continuing operations</b>		<b>(438.26)</b>	<b>40,649.42</b>
<b>Other Comprehensive Income</b>	18		
Items that will not be reclassified to Profit or Loss			
(a) Remeasurement of employees benefit obligations		498.84	(974.96)
- Income tax on above		(138.47)	308.81
(b) Equity instruments through other comprehensive income		159.00	48.00
- Income tax on above		(37.04)	(11.18)
<b>Other Comprehensive Income / (Loss) for the period ( net of tax )</b>		<b>482.33</b>	<b>(629.33)</b>
<b>Total Comprehensive Income / (Loss) for the year</b>		<b>44.07</b>	<b>40,020.09</b>
<b>Net Profit / (Loss) attributable to :</b>			
Owners		(310.42)	37,038.30
Non-controlling interests		(127.84)	3,611.12
		<b>(438.26)</b>	<b>40,649.42</b>
Other Comprehensive Income / (Loss) attributable to :			
Owners		372.22	(585.06)
Non-controlling interests		110.11	(44.27)
		<b>482.33</b>	<b>(629.33)</b>
<b>Total Comprehensive Income / (Loss) attributable to :</b>			
Owners		61.80	36,453.24
Non-controlling interests		(17.73)	3,566.85
		<b>44.07</b>	<b>40,020.09</b>
<b>Earnings per share ( Basic / Diluted) (in ₹)</b>		<b>(0.47)</b>	<b>56.08</b>

## SIGNIFICANT ACCOUNTING POLICIES

1

The accompanying notes are an integral part of the Consolidated financial statements.

As per our Report of even date

For **Singhi & Co.**

Chartered Accountants

Firm Registration No. 302049E

**Sudesh Choraria**

Partner

M.No. 204936

Place: Dandeli

Date: June 24, 2021

For and on behalf of the Board

**S. K. Bangur**

Chairman & Managing Director

**Virendraa Bangur**

Joint Managing Director

**Rajendra Jain**

Executive Director & CFO

**Saurabh Bangur**

Vice Chairman

**Brajmohan Prasad**

Company Secretary

**Shashi Bangur**

**P. N. Kapadia**

**Amitav Kothari**

**Sudarshan Somani**

**Arpita Vinay**

**Shiv Ratan Goenka**

Directors



## Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

(All amounts of ₹ in Lakhs, except share data and unless otherwise stated)

### A. EQUITY SHARE CAPITAL

Particulars	Balance at the beginning of the reporting year		Changes in equity share capital during the year		Balance at the end of the reporting year	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
	For the year ended March 31, 2020	6,60,48,908	1,320.98	-	-	6,60,48,908
<b>For the year ended March 31, 2021</b>	<b>6,60,48,908</b>	<b>1,320.98</b>	<b>-</b>	<b>-</b>	<b>6,60,48,908</b>	<b>1,320.98</b>

### B. OTHER EQUITY

Particulars	Reserves & Surplus					Other Comprehensive Income	Total attributable to owners of the Company	Attributable to Non Controlling Interest	Total
	Security Premium Account	Retained Earnings	Capital Redemption Reserve	Equity Share Warrant Forfeited	General Reserve				
<b>Opening as on April 01, 2019</b>	<b>14,572.54</b>	<b>51,643.16</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(909.05)</b>	<b>1,09,018.51</b>	<b>0.01</b>	<b>1,09,018.52</b>
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	-	-	28,028.66	28,028.66
Profit for the year	-	37,038.30	-	-	-	-	37,038.30	3,611.12	40,649.42
Remeasurement of net defined benefit liability/asset ( net of tax )	-	-	-	-	-	(585.06)	(585.06)	(44.27)	(629.33)
Dividends paid (including Dividend Distribution Tax) (including Interim Dividend)	-	(7,967.75)	-	-	-	-	(7,967.75)	-	(7,967.75)
<b>Balance as on March 31, 2020</b>	<b>14,572.54</b>	<b>80,713.71</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,494.11)</b>	<b>1,37,504.00</b>	<b>31,595.52</b>	<b>1,69,099.52</b>
<b>Opening as on April 01, 2020</b>	<b>14,572.54</b>	<b>80,713.71</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,494.11)</b>	<b>1,37,504.00</b>	<b>31,595.52</b>	<b>1,69,099.52</b>
Profit for the year	-	(310.42)	-	-	-	-	(310.42)	(127.84)	(438.26)
Remeasurement of net defined benefit liability/asset ( net of tax )	-	-	-	-	-	372.22	372.22	110.11	482.33
<b>Balance as on March 31, 2021</b>	<b>14,572.54</b>	<b>80,403.29</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,121.89)</b>	<b>1,37,565.80</b>	<b>31,577.79</b>	<b>1,69,143.59</b>

The accompanying notes are an integral part of the Consolidated financial statements.

As per our Report of even date

For **Singhi & Co.**

Chartered Accountants

Firm Registration No. 302049E

**Sudesh Choraria**

Partner

M.No. 204936

Place: Dandeli

Date: June 24, 2021

For and on behalf of the Board

**S. K. Bangur**

Chairman &amp; Managing Director

**Virendraa Bangur**

Joint Managing Director

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Vice Chairman

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Company Secretary

**Shashi Bangur****P. N. Kapadia****Amitav Kothari****Sudarshan Somani****Arpita Vinay****Shiv Ratan Goenka**

Directors





## Consolidated Cash Flow Statement

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit/(Loss) before Income Tax</b>	<b>(2617.13)</b>	<b>39,701.55</b>
<b>Adjustments for :</b>		
Depreciation and amortisation	22,935.37	19,785.79
Loss / (Gain) on disposal of Property, plant and equipment	1,292.96	133.41
Loss / (Gain) on sale of investments	(90.73)	(1,701.47)
Net (gain) on financial assets designated on FVTPL	(31.70)	(4.62)
Dividend and interest income classified as investing cash flows	(1,248.24)	(1,767.69)
Finance costs	6,767.32	6,030.25
Government grant income	(578.74)	(537.48)
Provision for doubtful debts	32.99	109.17
Net exchange differences	326.36	1,440.47
Fair value adjustment in investment	(2.01)	23.59
Changes in actuarial valuation of employee benefit	0.37	2.96
Liabilities & Provisions written back	(395.81)	(1,007.24)
<b>Total</b>	<b>29,008.14</b>	<b>22,507.14</b>
<b>Operating profit before working capital changes</b>	<b>26,391.01</b>	<b>62,208.70</b>
<b>Adjustments for :</b>		
(Increase) / decrease in trade receivables	(6,228.18)	9,900.23
(Increase) / decrease in inventories	13,715.00	3,282.20
(Increase) / decrease in other financial assets	398.24	(14.12)
(Increase) / decrease in other non-current assets	116.54	452.11
(Increase) / decrease in other current assets	(2,965.40)	(87.52)
Increase / (decrease) in trade liabilities	(399.71)	(7,718.45)
Increase / (decrease) in provisions	(522.46)	1,016.08
Increase / (decrease) in other financial liabilities	127.55	357.12
Increase / (decrease) in non-current liabilities	3,129.53	513.00
<b>Total</b>	<b>7,371.11</b>	<b>7,700.65</b>
<b>Cash generated from operations</b>	<b>33,762.12</b>	<b>69,909.34</b>
Less: Income Tax paid	(20.01)	4,999.51
<b>Net cash inflow / (outflow) from operating activities</b>	<b>33,782.13</b>	<b>64,909.84</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	(7,293.75)	(11,553.50)
Purchase of intangible assets	(111.29)	(11.85)
Purchase of non-current investments	-	(91,159.94)
Proceeds from sale of property, plant and equipment	80.65	224.69
Interest received	1,312.10	400.62
Bank deposits	(125.51)	59.58
Purchase of current investments	(8,712.99)	-
Investment in mutual fund	(41,025.47)	(96,620.01)



## Consolidated Cash Flow Statement (Contd.)

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Redemption of mutual fund	32,649.23	1,18,505.70
Dividend income received	-	0.21
Inter-corporate deposits given	(6,404.00)	(3,000.00)
Inter-corporate deposits matured	4,000.00	1,000.00
Term / margin money deposits placed during the year	(7,346.39)	(14,394.59)
Term / margin money deposits matured during the year	16,382.25	8,400.61
<b>Net Cash inflow / outflow from Investing Activities</b>	<b>(16,595.17)</b>	<b>(88,148.46)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	7,500.00	58,371.48
Repayments of long term borrowings	(18,868.26)	(15,309.36)
Proceeds / (repayment) of short term borrowings (net)	1,932.47	(7,104.43)
Interest and finance charges	(6,627.47)	(6,021.79)
Dividends paid to company's shareholders	-	(6,604.89)
Tax on equity dividend	-	(1,362.87)
Repayment of lease liability	(600.24)	(148.45)
<b>Net cash inflow / (outflow) from Financing Activities</b>	<b>(16,663.50)</b>	<b>21,819.69</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>523.46</b>	<b>(1,418.94)</b>
<b>Net increase or (decrease) in cash and cash equivalents during the year</b>	<b>523.46</b>	<b>(1,418.94)</b>
<b>Pursuant to acquisition of subsidiary</b>	<b>-</b>	<b>2,303.33</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>1,576.12</b>	<b>691.73</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>2,099.58</b>	<b>1,576.12</b>
<b>Reconciliation of Financial Liabilities - Borrowings</b>		
	<b>2020-21</b>	<b>2019-20</b>
Opening balance	78348.27	40,470.84
Add: Proceeds of borrowings	7,500.00	58,371.48
Less: (Repayment) of borrowings	(18,868.26)	(15,309.36)
Less: Proceeds / (repayments) of borrowings (short term) (net)	1,932.47	(7,104.43)
Add / (Less): Non-cash movement	(196.82)	1,919.74
	<b>68,715.66</b>	<b>78,348.27</b>

The accompanying notes are an integral part of the Consolidated financial statements.

As per our Report of even date

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Sudesh Choraria**  
Partner

M.No. 204936

Place: Dandeli

Date: June 24, 2021

For and on behalf of the Board

**S. K. Bangur**  
Chairman & Managing Director

**Virendraa Bangur**  
Joint Managing Director

**Rajendra Jain**  
Executive Director & CFO

**Saurabh Bangur**  
Vice Chairman

**Brajmohan Prasad**  
Company Secretary

**Shashi Bangur**  
**P. N. Kapadia**  
**Amitav Kothari**  
**Sudarshan Somani**  
**Arpita Vinay**  
**Shiv Ratan Goenka**  
Directors



# Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021

## Note 1 – Company Overview, Basis of Preparation and Significant Accounting Policies

### I. The Company Overview:

West Coast Paper Mills Limited, a Public Limited Company listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. The registered office of the Parent Company is situated at Bangur Nagar, Dandeli 581325 District Uttar Kannada, Karnataka which was established in 1955. The Parent Company has two business activities: Paper & Paper Board at Dandeli and Optical Fibre Cable at Mysore. The Company's Dandeli Plant and one of its subsidiary is integrated Pulp & Paper Plant and produce various type of quality Paper & Paper Board. This caters to needs of innumerable industries in printing, writing, publishing, stationary, notebooks and packaging sectors in India. The Company strongly believes on Continuous Improvement in product quality, reduction in cost, and Environment Management. The Company is ISO 9001-2015, ISO 14001-2015 FSC (R) & OHSAS 18000-2007. The Company's Mysore Plant and one of its other subsidiary produces Optical Fibre Cable which cater requirement of telecom sector of India.

### II. Basis of Preparation of Financial Statements:

#### a) Basis of Preparation:

The Consolidated Financial Statements ("the financial statements") relate to the Company and its subsidiaries (collectively "the group") and its interest in associates. The Consolidated Financial Statements of the Group, are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis. The Ind AS are prescribed under section 133 of the Companies Act, 2013, and the relevant provisions thereof. The financial statements of the subsidiary companies used in the preparation of the Consolidated financial statements have been drawn upto the same report date as that of the Parent Company.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use. The Group has prepared these Consolidated Financial Statements as per the format prescribed in Schedule III to the Companies Act, 2013.

#### b) Principles of consolidation and equity accounting:

##### i. Subsidiaries:

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

### ii. Associates:

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

### c) Business Combination and Goodwill:

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred on acquisition-date, liabilities assumed and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition date. Deferred tax asset or liability arising from a business combination are recognized in accordance with the requirements of Ind AS 12 "Income Taxes".

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognised as capital reserve.

### d) Functional and Presentation Currency:

The Consolidated Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Lakhs unless otherwise stated.

### e) Use of Estimates:

The preparation of the Financial Statements in conformity with the Ind AS requires Management to make estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities, disclosure of contingent liabilities as on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

### f) Classification of Assets and Liabilities as Current and Non-Current:

All Assets and Liabilities have been classified as Current or Non-Current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Group and their realisation in cash and cash equivalent, the Group has determined its operating cycle as twelve months for the purpose of Current and Non-Current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## III. Significant Accounting Policies:

### a) Property, Plant and Equipments (PPE):

PPE are stated at cost of acquisition (net of Cenvat & VAT / GST wherever applicable) or construction less accumulated depreciation and impairment loss, if any. Cost includes any directly attributable cost of bringing each asset to its working



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

condition for intended use. In case of subsidiary acquired by the Company,

Assets under installation or under construction as at Balance Sheet date are shown as Capital Work in Progress together with project expenses.

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Group, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance are capitalised and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised.

### Decommissioning Liability:

Cost of PPE also includes the estimate of the costs of dismantling and removing the item and restoring the land back on vacant conditions at the end of lease period. The Group has estimated such costs being the present value of future liability for decommissioning. Such costs are capitalized and a provision of the equivalent amount has been created. The provision is periodically increased by adding the interest cost at the IRR determined by the Group.

### Disposal of Assets:

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

### Intangible Assets:

Intangible Assets are stated at cost of acquisition less accumulated depreciation & impairment loss, if any.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

### b) Depreciation & Amortization:

The Parent Company and a subsidiary depreciates PPE over their estimated useful lives as per the provisions of the Schedule II of the Companies Act, 2013. The estimated useful lives of PPE are as follows:

Sr. No.	Particulars	Useful Life	Method
1.	Factory Buildings	30	WDV
2.	Non Factory Buildings	60	WDV
3.	Plant, Machinery & Equipments*	05-20	WDV
4.	Furniture, Fixtures and office equipments*	05-10	WDV
5.	Motor Vehicles	08-10	WDV
6.	Computers & other IT Assets	03	WDV
7.	Roads & Drainage*	20	WDV
8.	Intangible Assets*	03	WDV

\*Based on technical evaluation, the Management believes that the useful lives as given above best represents the period over which Management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

In case of one of the Subsidiary Andhra Papers Ltd (APL), the estimated useful lives of PPE determined are as follows:

Sr. No.	Particulars	Useful Life	Method
1.	Building Free-hold – Factory	30	SLM
2.	Building Free-hold – Residential	60	SLM
3.	Plant & Machinery	15-25	SLM
4.	Lease Hold Improvements	4-8	SLM
5.	Furniture	10	WDV
6.	Office Equipments	5	WDV
7.	Vehicles	8	WDV
8.	Software	5-15	SLM

In respect of incremental cost arising on account of realized / notional gain / loss on foreign currency liability for acquisition of fixed assets, depreciation is provided over the remaining residual life of the respective assets.

Depreciation methods, useful lives and residual values are reviewed at least at the end of each financial year.

Assets individually costing ₹ 5,000 and below are fully depreciated in the year of acquisition.

### c) Investment Properties:

Investment properties held to earn rentals or for capital appreciation or both are stated in the Balance Sheet at cost, less accumulated depreciation and subsequent impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss. Transfer to, or from, investment property is done at the carrying amount of the property.

### d) Impairment of Non Financial Assets:

The carrying amounts of non financial assets are reviewed at each Balance Sheet date to determine if there is any indication of impairment based on internal / external factors. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

An impairment loss is recognized as an expense in the Statement of Profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in the prior accounting years is reversed if there has been a change in the estimate of recoverable amount.

### e) Assets held for Sale:

The Group recognize Assets for Sale of those assets which are not in use and identified for sale / disposal. The same is valued at carrying amount net or realizable value whichever is lower.

### f) Valuation of Inventories:

Inventories of raw materials, stores, spares, machinery parts, building materials, loose tools etc. are valued at weighted average cost, after providing for obsolescence, if any.

Work in process is valued at cost.

Finished goods & Stock-in-trade are valued at lower of cost or net realizable value.

The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and related



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

production overheads.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion costs necessary to make the sale.

Stock of scrap is valued at realizable value.

Biological assets other than bearer plants which are matured and have market value are valued at fair value Biological Assets which are immature are valued at cost.

### **g) Revenue Recognition:**

Revenue is recognized on transfer of significant risks and rewards of ownership to the buyer and are adjusted for discounts (net), Taxes and foreign exchange differences. Turnover is net of Goods & Service Tax collected on behalf of the Government.

Revenue from contracts with customers is recognised in accordance with Ind AS 115, when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

Export Incentive Scheme Benefits are recognized on accrual basis.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Dividend income from investments purchased is recognised when the shareholder's right to receive payment has been established.

Rental income from investment properties and subletting of properties is recognised on a straight line basis over the term of the relevant leases.

Insurance and other claims, to the extent considered recoverable, are accounted for in the year of claim.

### **h) Cash and Cash Equivalents:**

Cash and cash equivalents comprise cash in hand, Cash at Bank and demand deposits with banks which are subject to an insignificant risk of change in value.

### **i) Research and Development Expenditure:**

Revenue expenditure on research & development is charged to Profit & Loss Account and capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

### **j) Employee Benefits:**

Contribution to Provident Fund is accounted for on accrual basis. The Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust is not lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous' Provisions Act,



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

1952 and shortfall, if any, is made good by the Company. Such shortfall on account of interest, if any, is recognized in the Statement of Profit and Loss.

Company's defined contributions made to Pension Fund of Government and Superannuation Scheme of Life Insurance Corporation of India are charged to the Statement of Profit and Loss on accrual basis.

Contribution to Gratuity Fund and provision for Leave Encashment is based on actuarial valuation carried out as on the Balance Sheet date as per Projected Unit Credit Method.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains or losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income.

### k) Earnings Per Share (EPS) :

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

The number of equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### l) Foreign Currency Transactions :

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions.

Foreign currency current assets and current liabilities outstanding at the balance sheet date are translated at the exchange rate prevailing on that date and the resultant gain or loss is recognized in the Statement of Profit & Loss.

Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition or construction of fixed assets, in which case they are adjusted to the carrying cost of such assets in accordance with the exemption under Para D13AA of Ind AS 101.

### m) Financial Instruments :

#### Financial Assets :

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt'

All Financial Assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

#### Trade Receivables :

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised at transaction value and subsequently measured at transaction value less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.





## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

### **Financial assets at Fair Value through Profit and Loss (FVTPL):**

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Company designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

### **Derecognition of Financial Assets:**

The Group derecognises a financial asset on trade date only when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the statement of profit and loss. Cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### **Financial Liability:**

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial Liabilities are subsequently carried at amortized cost using the effective interest method, except for loans where the difference between IRR and normal rate of interest was immaterial.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for employee share-based payment, leasing transactions, and



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets. The basis of fair valuation of these items are given as part of their respective accounting policies.

### **Derivative Financial Instruments :**

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

### **Trade and Other Payables :**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

### **Other Financial Liabilities :**

Other financial liabilities, including borrowings are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **n) Borrowing Cost :**

Borrowings costs that are attributable to the acquisition or construction of qualifying assets are capitalized upto the date when they are ready for their intended use and other borrowing costs are charged to profit and loss account.

### **o) Taxation :**

Provision for Taxation is determined on the basis of the Taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961.

Deferred Tax resulting from "temporary difference" between the carrying amount of an asset or liability in the balance sheet and its tax base book profit and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be adjusted in future.

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

### **p) Provisions & Contingent Liabilities/ Assets:**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flow to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement. Contingent liabilities are not recognised but are disclosed in notes.

Contingent Assets are not recognised in financial statements but are disclosed, since the former treatment may result in the recognition of income that may or may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

### q) Government Grants:

Incentive received from the Government under sales tax deferral scheme, which is interest free in nature is determined based on fair value. Fair value is determined on the present value technique based on cash flow payable under the scheme & the same is amortized over the remaining period of sales tax deferral loan.

### r) Leases:

On April 1, 2019, the Company adopted Ind AS 116, Leases.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 Leases. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

#### The Company as lessee:

The Group's lease asset classes primarily consist of leases for Land, building, plant & machinery and vehicles. At the inception of the contract, the Company assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For the purpose of identifying if a contract contains a lease, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except in case of low value leases and short term leases (a



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

term of less than twelve months) wherein the lease payments are recognized as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The right-of-use assets are initially recognized at cost. Cost includes the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the useful life of the underlying asset or the lease term whichever is shorter. Right of use assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liability and ROU asset have been presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group adopted Ind AS 116 –“ Leases” using retrospective / modified retrospective methods as permitted in the Accounting Standard..

### s) Recent accounting pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments are extensive and Group will evaluate the same to give effect to them as required by law.

### t) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company’s accounting policies.

The estimates and judgements involves 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.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable
- Estimated useful life PPE & intangible asset
- Estimation of defined benefit obligation
- Recognition of revenue



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 *(Contd.)*

- Recognition of deferred tax assets for carried forward tax losses
- Impairment of trade receivables and other financial assets
- Fair Valuation for the purpose of Business Combination

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.



# Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

## Note 2a | PROPERTY, PLANT AND EQUIPMENT

Sr. no.	Particulars	Property, plant and equipment				Subtotal	Right of use assets				Subtotal	Grand total	
		Freehold Land	Leasehold Land	Leasehold improvements	Buildings		Plant and Machinery	Furniture and fixtures	Other Assets	Lease hold land (Finance Lease)			Lease hold land (ROU Assets)
	<b>Gross carrying value as at April 01, 2019</b>	<b>61.61</b>	<b>162.04</b>	<b>-</b>	<b>22,445.70</b>	<b>2,15,721.83</b>	<b>605.70</b>	<b>1,480.35</b>	<b>2,40,477.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,40,477.23</b>
1	Additions through Business Combination	7,376.10	-	183.67	9,494.47	60,961.54	87.38	447.04	78,550.20	-	1,387.09	450.00	80,387.29
2	Additions	-	-	-	730.05	8,684.25	60.59	254.29	9,729.19	-	223.91	-	247.66
3	Reclassification on account of Ind AS 116 adoption	-	(162.04)	-	-	-	-	(162.04)	162.04	-	-	-	162.04
4	Impact of adoption of Ind AS 116	-	-	-	-	-	-	-	-	56.91	-	-	56.91
5	Reclassified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
6	Effect of foreign exchange (gain)/ loss	-	-	(106.20)	-	(13.89)	(0.61)	(0.40)	(191.71)	-	(254.51)	-	(13.89)
7	Deletions	-	-	-	-	-	-	-	-	-	-	-	(254.51)
	<b>Gross carrying value as at March 31, 2020</b>	<b>7,437.71</b>	<b>-</b>	<b>77.48</b>	<b>32,670.22</b>	<b>2,85,269.22</b>	<b>753.06</b>	<b>2,181.28</b>	<b>3,28,388.97</b>	<b>162.04</b>	<b>56.91</b>	<b>450.00</b>	<b>3,30,438.17</b>
	<b>Accumulated Depreciation as at April 01, 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,472.32</b>	<b>1,26,449.50</b>	<b>326.60</b>	<b>1,191.16</b>	<b>1,41,439.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,41,439.58</b>
1	Depreciation	-	-	9.12	1,211.97	17,624.17	76.17	176.64	19,098.08	-	2.09	90.00	19,323.44
2	Assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
3	Effect on foreign currency	-	-	-	-	(69.55)	(0.34)	(0.27)	(78.25)	-	-	-	(78.25)
4	Eliminated on disposal of asset	-	-	(8.10)	-	-	-	-	-	-	-	-	-
	<b>Gross carrying value as at March 31, 2020</b>	<b>7,437.71</b>	<b>-</b>	<b>1.02</b>	<b>14,684.29</b>	<b>1,44,004.13</b>	<b>402.43</b>	<b>1,367.53</b>	<b>1,60,459.40</b>	<b>-</b>	<b>2.09</b>	<b>90.00</b>	<b>1,60,684.76</b>
	<b>Net carrying value as at March 31, 2020</b>	<b>7,437.71</b>	<b>-</b>	<b>76.46</b>	<b>17,985.93</b>	<b>1,41,265.10</b>	<b>350.63</b>	<b>813.75</b>	<b>1,67,929.57</b>	<b>162.04</b>	<b>54.82</b>	<b>360.00</b>	<b>1,69,753.40</b>
	<b>Gross carrying value as at April 01, 2020</b>	<b>7,437.71</b>	<b>-</b>	<b>77.48</b>	<b>32,670.22</b>	<b>2,85,269.22</b>	<b>753.06</b>	<b>2,181.28</b>	<b>3,28,388.97</b>	<b>162.04</b>	<b>56.91</b>	<b>450.00</b>	<b>3,30,438.17</b>
1	Additions	-	15.36	1,057.21	8,520.65	23.99	188.41	9,805.62	-	-	35.46	-	9,841.08
2	Reclassified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
3	Effect of foreign exchange (gain)/ loss	-	-	-	-	-	-	-	-	-	-	-	-
4	Deletions	-	-	-	(231.25)	(4,168.32)	(13.26)	(3.94)	(4,416.77)	-	(68.44)	-	(4,485.21)
	<b>Gross carrying value as at March 31, 2021</b>	<b>7,437.71</b>	<b>-</b>	<b>92.84</b>	<b>33,496.18</b>	<b>2,89,621.55</b>	<b>763.79</b>	<b>2,365.75</b>	<b>3,33,777.82</b>	<b>162.04</b>	<b>56.91</b>	<b>450.00</b>	<b>3,35,794.04</b>
	<b>Accumulated Depreciation as at April 01, 2020</b>	<b>-</b>	<b>-</b>	<b>1.02</b>	<b>14,684.29</b>	<b>1,44,004.13</b>	<b>402.43</b>	<b>1,367.53</b>	<b>1,60,459.40</b>	<b>-</b>	<b>2.09</b>	<b>90.00</b>	<b>1,60,684.76</b>
1	Depreciation	-	-	12.85	1,794.91	19,078.95	141.31	368.63	21,396.65	-	2.09	180.00	21,873.86
2	Assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
3	Effect on foreign currency	-	-	-	(7.46)	(3,030.75)	(0.01)	(12.04)	(3,047.45)	-	(33.02)	-	(3,080.47)
4	Eliminated on disposal of asset	-	-	16.68	16,471.74	1,60,052.33	543.73	1,724.12	1,78,808.61	-	4.18	270.00	1,79,478.15
	<b>Accumulated Depreciation as at March 31, 2021</b>	<b>7,437.71</b>	<b>-</b>	<b>76.16</b>	<b>17,024.44</b>	<b>1,29,569.22</b>	<b>220.06</b>	<b>641.63</b>	<b>1,54,969.21</b>	<b>162.04</b>	<b>52.73</b>	<b>180.00</b>	<b>1,56,315.89</b>

1. Lease hold land represents the amount paid to Karnataka Industrial Area Development Board (KIADB), Bangalore against allotment of land at Kesaroli Village Haliyal on Lease cum sale basis.  
 2. During the current year, foreign exchange fluctuation gain amounting to ₹ Nil (Previous year : Gain of ₹ 13.89 Lakhs) has been capitalised to the block of plant & machinery pursuant to Notification no. G.S.R. 913(E) dated 29.12.2011, applicable up to March 31, 2021.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Note 2b | INTANGIBLE ASSETS

Sr. no.	Particulars	Computer Software	Distribution relationships	Trade name	Total	Goodwill
	<b>Opening Gross value as at April 01, 2019</b>	<b>644.28</b>	-		<b>644.28</b>	-
1	Additions through business combination	168.70	9,600.00	3,300.00	13,068.70	18,371.29
2	Additions	191.17	-		191.17	-
3	Deletions	-	-		-	-
	<b>Closing Gross value as at March 31, 2020</b>	<b>1,004.15</b>	<b>9,600.00</b>	<b>3,300.00</b>	<b>13,904.15</b>	<b>18,371.29</b>
	<b>Accumulated Amortisation as at April 01, 2019</b>	<b>555.60</b>	-	-	<b>555.60</b>	-
1	Amortisation expenses	104.02	266.67	91.67	462.36	-
2	Eliminated on disposal of asset	-	-	-	-	-
	Accumulated Amortisation as at March 31, 2020	659.62	266.67	91.67	1,017.96	-
	<b>Net carrying value as at March 31, 2020</b>	<b>344.52</b>	<b>9,333.33</b>	<b>3,208.33</b>	<b>12,886.19</b>	<b>18,371.29</b>
	<b>Opening Gross value as at April 01, 2020</b>	<b>1,004.15</b>	<b>9,600.00</b>	<b>3,300.00</b>	<b>13,904.15</b>	<b>18,371.29</b>
1	Additions	139.90	-		139.90	-
2	Deletions	(32.41)	-		(32.41)	-
	<b>Closing Gross value as at March 31, 2021</b>	<b>1,111.64</b>	<b>9,600.00</b>	<b>3,300.00</b>	<b>14,011.64</b>	<b>18,371.29</b>
	<b>Accumulated Amortisation as at April 01, 2020</b>	<b>659.62</b>	<b>266.67</b>	<b>91.67</b>	<b>1,017.96</b>	-
1	Amortisation expenses	201.52	640.00	220.00	1,061.52	-
2	Eliminated on disposal of asset	(31.32)	-	-	(31.32)	-
	<b>Accumulated Amortisation as at March 31, 2021</b>	<b>829.82</b>	<b>906.67</b>	<b>311.67</b>	<b>2,048.16</b>	-
	<b>Net carrying value as at March 31, 2021</b>	<b>281.82</b>	<b>8,693.33</b>	<b>2,988.33</b>	<b>11,963.48</b>	<b>18,371.29</b>

As at

**March 31, 2021**      **March 31, 2020**

### Note 3 | CAPITAL WORK-IN-PROGRESS

Opening Balance	5,691.78	4,526.88
Add: Additions during the year	7,861.45	10,418.81
	<b>13,553.23</b>	<b>14,945.69</b>
Less: Capitalised during the year	10,329.21	9,253.91
<b>Closing Balance</b>	<b>3,224.02</b>	<b>5,691.78</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 4	BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS	As at	
		March 31, 2021	March 31, 2020
	<b>Opening balance</b>	<b>760.43</b>	<b>1,146.94</b>
	Expenses during the year	106.95	98.54
	Consumption during the year	(138.50)	(485.05)
	<b>Closing balance</b>	<b>728.88</b>	<b>760.43</b>
	<b>Reconciliation</b>		
	Non-current assets (Refer Note 47)		
	Immature crops	684.49	760.03
	<b>Total Non-Current assets</b>	<b>684.49</b>	<b>760.03</b>
	<b>Current assets</b>		
	Matured Crops	44.39	0.40
	<b>Total current assets</b>	<b>44.39</b>	<b>0.40</b>
	<b>Total Biological assets other than bearer plants</b>	<b>728.88</b>	<b>760.43</b>
<b>Note 5</b>	<b>INVESTMENTS</b>		
	<b>Non Current</b>		
	<b>Investment in Subsidiaries</b>		
	<b>Unquoted (at cost)</b>		
	50,000, shares of ₹ 10 each of Andhra Paper Foundation (Formerly IP India Foundation) (Refer Note 52)	5.00	5.00
	<b>Total Investments in subsidiaries</b>	<b>5.00</b>	<b>5.00</b>
	<b>Investment in Associates**</b>		
	<b>Unquoted (at cost)</b>		
	18,50,130 Equity Shares (Previous Year 18,50,130) of ₹ 10 each of Speciality Coatings & Lamination Limited	-	-
	<b>Total Investment in Associates</b>	<b>-</b>	<b>-</b>
	<b>Total Investments in Subsidiaries and Associates</b>	<b>5.00</b>	<b>5.00</b>
	<b>Others</b>		
	<b>Quoted (at fair value through Profit or Loss)</b>		
	5,42,399 Equity Shares (Previous Year : 5,42,399 ) of ₹10 each of Jayashree Chemicals Ltd	17.63	15.62
	Less : Provision for Diminution in value of investments	-	-
	<b>Unquoted (at fair value through Profit or Loss)</b>		
	20,943 Equity Shares (Previous Year : 20,943 ) of ₹ 10 each of Killkotagiri and Thirumbadi Plantations Ltd.,	35.27	35.27
	37 Equity Shares ( Previous Year: 37) of ₹ 100 each of Placid Limited	0.01	0.01





## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

	As at	
	March 31, 2021	March 31, 2020
<b>Investments in bonds (at amortised cost)</b>		
10.20%, 80,000 bonds of JM Financial Products Limited, of ₹ 1,000 each	870.95	-
8.50%, 5 Perpetual bonds of State Bank of India, of ₹ 10,00,000 each	53.75	-
9.45%, 5 Perpetual bonds of State Bank of India, of ₹ 10,00,000 each	53.24	-
7.74%, 50 Perpetual bonds of State Bank of India, of ₹ 10,00,000 each	534.37	-
7.33%, 50 bonds of TATA Capital housing finance Limited, of ₹ 10,00,000 each	508.92	-
8.60%, 50 bonds of NIIF Infrastructure Finance Limited, of ₹ 10,00,000 each	549.79	-
9.45%, 12 bonds of Gujarat State Investments Limited, of ₹ 10,00,000 each	125.44	-
8.75%, 90 bonds of Cholamandlam MS General Insurance Co. Limited, of ₹ 10,00,000 each	938.25	-
10.00%, 3740 bonds of JM Financial Credit Solutions Limited, of ₹ 1,000 each	39.41	-
10.20%, 10472 bonds of JM Financial Products Limited, of ₹ 1,000 each	114.53	-
11.40%, 50 bonds of Hinduja Leyland Finance Limited, of ₹ 10,00,000 each	557.10	-
10.20% 2424 bonds of JM Financial Products Limited, of ₹ 1000 each	29.01	-
12.15%, 50 bonds of India Infoline Finance Limited, of ₹ 10,00,000 each	557.31	-
9.45%, 105 bonds of Gujarat State Investments of ₹ 10,00,000 each	1,104.64	-
10.5%, 150 bonds of Royal Sundaram General Insurance, of ₹ 10,00,000 each	1,547.64	-
6.85%, 120 bonds of Mahanagar Telephone Nigam Limited, of ₹ 10,00,000 each	1,222.15	-
<b>Unquoted (at fair value through OCI)</b>		
13,40,000 equity shares of ₹ 10 each of Andhra Pradesh Gas Power Corporation Limited	1,918.00	1,759.00
30,000 Equity shares of ₹ 10 each of Somar Granites Private Limited	-	3.00
2,12,800 equity shares of ₹ 10 each of Kedia Distillery Limited	-	61.71
<b>Total of Other Investments</b>	<b>10,777.41</b>	<b>1,874.61</b>
Less: Amount of impairment in value of investments:		
30,000 Equity shares of ₹ 10 each of Somar Granites Private Limited	-	(3.00)
2,12,800 equity shares of ₹ 10 each of Kedia Distillery Limited	-	(61.71)
	<b>10,777.41</b>	<b>1,809.90</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

	As at	
	March 31, 2021	March 31, 2020
<b>Investments in Government securities (at amortised cost)</b>		
6 Year National Savings Certificate	0.10	0.10
<b>Total of Other Investments</b>	<b>10,777.51</b>	<b>1,810.00</b>
<b>Total of Non-Current Investments</b>	<b>10,782.51</b>	<b>1,815.00</b>
<b>Current</b>		
<b>Quoted (at fair value through Profit or Loss)</b>		
<b>Investments in Mutual funds</b>		
Axis Liquid Fund - Direct Growth 26816.92 units (Previous Year 30044.68 Units) (NAV ₹ 2,284.79)	612.71	662.29
Axis overnight -Fund Direct Growth Nil units (Previous Year-37,896.58 units) (NAV-Nil)	-	400.00
Axis corporate bond 14,85,975.41 units (Previous Year- Nil units) (NAV-₹ 13.57)	201.60	-
Axis money market 27,590.40 units (Previous Year- Nil units) (NAV-₹ 1106.89)	305.39	-
Aditya Birla Sun life Liquid Fund - Growth-Direct 2,15,270.97 units (Previous Year-1,56,529.80 units) (NAV- ₹ 331.53)	713.70	500.21
Aditya Birla Sun Life Corporate fund - Growth - Direct Plan 2,32,059.73 units (Previous Year-Nil units) (NAV- ₹ 86.73)	201.27	-
Kotak Liquid Direct Plan Growth 21,757.67 units (Previous Year-Nil units) (NAV- ₹ 4,159.05)	904.91	-
Aditya Birla Sun life Banking & PSU Debt Fund - Growth Direct 68,846.19 units (Previous Year-Nil units) (NAV- ₹ 289.72)	199.46	-
HDFC Liquid Fund - Direct Plan - Growth Option 14,897.29 units (Previous Year-12,846.64 units) (NAV ₹ 4,045.52)	602.68	501.87
HDFC Money market Fund - DP - Growth 3,647.17 units (Previous Year-Nil units) (NAV ₹ 4,473.92)	163.17	-
HDFC Corporate Bond Fund - Direct Growth 12,01,021.87 units (Previous Year-Nil units) (NAV ₹ 25.18)	302.46	-
TATA Money market Fund Direct plan Growth 13,389.51 units (Previous Year-Nil units) (NAV ₹ 3,669.87)	491.38	-
Kotak Corporate bond Direct Growth 3,368.04 units (Previous Year-Nil units) (NAV ₹ 2,984.63)	100.52	-
ICICI Prudential Liquid Fund - Direct Plan - Growth 98,452.38 units (Previous Year-68,116.46 units) (NAV ₹ 304.74)	300.02	200.11
ICICI Coporate bond - Direct Plan - Growth 4,29,082.06 units (Previous Year-Nil units) (NAV ₹ 23.51)	100.86	-
HDFC Money market Fund - DP - Growth 10,93,947.44 units (Previous Year-Nil units) (NAV ₹18.25)	199.64	-



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

	As at	
	March 31, 2021	March 31, 2020
TATA Liquid Fund Direct Plan - Growth 15,563.55 units (Previous Year- Nil units) (NAV ₹ 3,247.63)	505.45	-
SBI Savings fund - Reg Growth 12,40,206.57 units (Previous Year- Nil units) (NAV ₹ 32.57)	403.95	-
SBI Corporate bond - Direct - Growth 16,39,383.24 units (Previous Year- Nil units) (NAV ₹ 12.21)	200.24	-
SBI Liquid Fund Direct Growth 18,977.93 units (Previous Year 12,870.36 units) (NAV ₹ 3,221.62)	611.39	400.14
<b>Unquoted investments (at amortised cost)</b>		
<b>Investment in Tax free bonds</b>		
7.93%, 19,989 bonds of REC Limited 2022 of ₹ 1000 each	219.08	-
<b>Investments in Bonds (at amortised cost)</b>		
10.25%, 9 bonds of Sikka Ports & Terminals Limited, of ₹ 10,00,000 each	96.44	-
9.30%, 20 bonds of Tata Motor finance Limited, of ₹ 10,00,000 each	214.47	-
9.10%, 1,00,000 bonds of Shriram Transport Finance Company Limited, of ₹ 1,000 each	1,070.98	-
11.40%, 25 bonds of Hinduja Leyland Finance Limited, of ₹ 10,00,000 each	260.41	-
3835 bonds of JM Financial Credit Solutions Limited, of ₹ 1,000 each	49.53	-
3292 bonds of JM Financial Product Limited, of ₹ 1000 each	39.39	-
9.25%, 9888 bonds of JM Financial Credit Solutions Limited, of ₹ 1000 each	107.08	-
9.90%, 5737 bonds of JM Financial Products Limited, of ₹ 1000 each	62.45	-
2383 bonds of JM Financial Product Limited, of ₹ 1000 each	26.47	-
9.50%, 2758 bonds of JM Financial Product Limited, of ₹ 1000 each	28.18	-
<b>Investments in Commercial papers (at amortised cost)</b>		
Piramal Enterprises Limited, 06 Aug 21	973.82	-
Piramal Capital & Housing Finance Limited, 16 Mar 22	926.90	-
<b>Total of current investments</b>	<b>11,196.00</b>	<b>2,664.62</b>
<b>Total of Current and Non-current Investments</b>	<b>21,978.51</b>	<b>4,479.62</b>
<b>Aggregate cost of quoted investments</b>	<b>7,184.86</b>	<b>94.97</b>
<b>Aggregate market value of quoted investments</b>	<b>7,138.43</b>	<b>15.62</b>
<b>Aggregate amount of unquoted investments</b>	<b>14,840.08</b>	<b>4,528.70</b>

\*\* Investment in associates are valued at ₹ Nil due to erosion in net worth of associate companies resulting in impairment of value recognised in earlier years. The cost of investment was ₹ 185.01 Lakhs



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 6	LOANS	As at	
		March 31, 2021	March 31, 2020
	<b>Non-current</b>		
	<b>Unsecured considered good</b>		
	a) Others*	400.00	-
	<b>Total of Non-Current loans</b>	<b>400.00</b>	<b>-</b>
	<b>Current</b>		
	<b>Unsecured considered good</b>		
	a) Loan to employees	41.74	53.26
	b) Others *	6,196.56	4,125.14
	<b>Total of Current Loans</b>	<b>6,238.30</b>	<b>4,178.40</b>
	<b>Total of Current and Non-current Loans</b>	<b>6,638.30</b>	<b>4,178.40</b>

\*Loans considered good - Unsecured (both current and non-current) includes Inter-Corporate Deposit (ICD) placed by one of the subsidiaries with different corporates, maximum amount outstanding during the year was ₹ 6,404 lakhs (Previous Year: ₹ 4,000 lakhs) and amount outstanding as at March 31, 2021 is ₹ 6,404 lakhs (Previous Year: ₹ 4,000 lakhs) at the interest rate of 6.43% (Previous Year: 6.99% per annum) per annum, which are going to mature on different dates.

Note 7	OTHER FINANCIAL ASSETS (Unsecured considered good unless otherwise stated)		
	<b>Non-current</b>		
	a) Security deposit	624.03	1,129.65
	<b>Total Non-Current other financial assets</b>	<b>624.03</b>	<b>1,129.65</b>
	<b>Current</b>		
	a) Security deposit*	296.91	275.17
	b) Interest accrued on deposits, ICDs and others	212.99	484.97
	<b>Total current other financial assets*</b>	<b>509.90</b>	<b>760.14</b>
	<b>Total of Other Financial Assets</b>	<b>1,133.93</b>	<b>1,889.79</b>

\* Includes security deposit with related parties ₹ 48.30 Lakhs (Previous Year - ₹ 46.05 Lakhs)

Note 8	OTHER NON-CURRENT ASSETS		
	Capital advances	125.44	380.18
	Balances with statutory / government authorities	3,352.16	3,340.61
	Prepaid expenses	54.53	30.46
	<b>Total other Non-Current assets</b>	<b>3,532.13</b>	<b>3,751.25</b>

Note 9	CURRENT TAX ASSETS (NET)		
	Advance tax / Tax paid at source (net of provision)*	515.88	1,361.71
	<b>Total of current tax assets (Net)</b>	<b>515.88</b>	<b>1,361.71</b>

\* Provision for tax of ₹ 548.95 Lakhs and Advance Tax of ₹ 329.44 is pertaining to current year.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 10	DEFERRED TAX ASSETS (NET)	As at	
		March 31, 2021	March 31, 2020
	Deferred tax liabilities on account of WDV of fixed assets	(9,841.33)	(12,010.41)
		<b>(9,841.33)</b>	<b>(12,010.41)</b>
	Deferred tax assets on account of:		
	Disallowances under section 43B of Income Tax Act	(793.38)	(656.10)
	Adjustments to Ind AS	(1,633.27)	(1,465.07)
	Tax holiday period	(1.03)	(2.46)
	Provision for doubtful debts	(179.87)	(168.45)
		<b>(2,607.55)</b>	<b>(2,292.08)</b>
	Total deferred tax liabilities	(7,233.78)	(9,718.33)
	Less: MAT Credit (Entitlement)/ Reversals*	(14,074.78)	(14,393.34)
	<b>Total Deferred Tax Assets (Net)</b>	<b>6,841.00</b>	<b>4,675.01</b>

\*Management expects that it would earn sufficient taxable income in future and therefore will be in a position to pay normal tax within the period specified under the Income Tax Act, 1961 and accordingly MAT credit entitlement has been recognised.

Note 11	INVENTORIES		
	Raw Materials*	9,250.59	12,727.97
	Work in progress	1,583.41	2,690.08
	Finished Goods	7,702.21	14,425.10
	Stores and spares #	22,183.34	24,530.76
	Loose tools	328.38	317.33
	Stock at scrap	135.86	137.86
	<b>Total Inventories</b>	<b>41,183.79</b>	<b>54,829.10</b>

\* includes Raw Material in transit of ₹161.72 Lakhs (Previous Year : ₹ 52.12 Lakhs)

# includes Stores and Spares in transit of ₹ 279.14 Lakhs (Previous Year : ₹ 681.90 Lakhs)

Note 12	TRADE RECEIVABLES (Unsecured considered good unless otherwise stated)		
	<b>Current</b>		
	Considered good - Secured	5,944.80	4,149.99
	Considered good - Unsecured*	14,449.38	10,051.00
	Considered Doubtful	604.12	571.13
		<b>20,998.30</b>	<b>14,772.12</b>
	Less: Allowances for credit losses	604.12	571.13
	<b>Total Trade Receivables</b>	<b>20,394.18</b>	<b>14,200.99</b>

\*includes due from other related party of ₹ 1.84 Lakhs (Previous Year - ₹ 3.67 Lakhs)

There are no outstanding receivables due from directors or key management persons of the company.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

	As at	
	March 31, 2021	March 31, 2020
<b>Note 13   CASH AND CASH EQUIVALENTS</b>		
Balance with banks		
In Current account	1,288.91	1,107.65
Cash on hand	10.67	18.47
Demand deposit accounts with original maturity of less than 3 months	800.00	450.00
<b>Total Cash and Cash Equivalents</b>	<b>2,099.58</b>	<b>1,576.12</b>
<b>Note 14   OTHER BANK BALANCES</b>		
In Unpaid Dividend Accounts	120.62	123.76
In Margin Money deposits against guarantee	434.13	455.04
In Deposit Accounts*	6,492.75	15,349.50
<b>Total of Other Bank Balances</b>	<b>7,047.50</b>	<b>15,928.30</b>
* Includes term deposits of ₹ 1,796 lakhs (Previous Year: ₹ 13,253 lakhs) of original maturity of more than 12 months.		
<b>Note 15   OTHER CURRENT ASSETS</b>		
Advances other than capital advances		
a) Payment to vendors for supply of goods & services		
- Considered good	6,948.47	3,915.05
- Considered doubtful	37.08	37.08
	6,985.55	3,952.13
Less: Provision for other doubtful loans and advances	37.08	37.08
	6,948.47	3,915.05
<b>Others</b>		
a) Prepaid expenses	939.74	234.31
b) Other Assets	555.04	745.05
c) Balances with Government authorities	3,022.21	3,644.96
<b>Total Other Current Assets</b>	<b>11,465.46</b>	<b>8,539.38</b>
<b>Note 16   ASSETS CLASSIFIED AS HELD FOR SALE</b>		
JFTC & OFC Plant	-	6.59
Inventory Scrap Material from Dismantle Assets	167.80	208.28
<b>Total of Assets classified as held for sale</b>	<b>167.80</b>	<b>214.87</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 17   EQUITY SHARE CAPITAL	As at	
	March 31, 2021	March 31, 2020
<b>Authorized</b>		
15,00,00,000 (Previous Year : 15,00,00,000) Equity Share ₹ 2/- each	3,000.00	3,000.00
65,00,000 (Previous Year : 65,00,000) Cumulative Redeemable Non-convertible Preference Shares of ₹ 100 each	6,500.00	6,500.00
<b>Total</b>	<b>9,500.00</b>	<b>9,500.00</b>
<b>Issued, Subscribed and Paid-Up</b>		
66,048,908 (Previous Year : 66,048,908) Equity Shares ₹ 2/- each fully paid up	1,320.98	1,320.98
<b>Total Equity Share Capital</b>	<b>1,320.98</b>	<b>1,320.98</b>

### Rights, preference and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

The Company has neither bought back any shares nor issued any bonus shares during five years immediately preceding the Balance Sheet date.

Movements in equity share capital	No. of Shares	₹ in Lakhs
<b>As at April 01, 2019</b>	<b>6,60,48,908</b>	<b>1,320.98</b>
Shares issued during the year	-	-
Shares bought back during the year	-	-
Redemption of shares	-	-
<b>As at March 31, 2020</b>	<b>6,60,48,908</b>	<b>1,320.98</b>
Shares issued during the year	-	-
Shares bought back during the year	-	-
Redemption of shares	-	-
<b>As at March 31, 2021</b>	<b>6,60,48,908</b>	<b>1,320.98</b>

Details of shareholders holding more than 5% shares

Name of share holders	As at			
	March 31, 2021		March 31, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Veer Enterprises Ltd.	1,07,04,054	16.21	1,06,59,054	16.14
Shree Satyanarayan Investments Co. Ltd.	1,04,03,973	15.75	1,03,95,793	15.74
Nippon life India Trustee Ltd A/C (Nippon India Small Cap Fund)	42,78,015	6.48	42,78,015	6.48



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Note 18 | OTHER EQUITY

Particulars	Reserves & Surplus					Other Comprehensive Income	Total attributable to owners of the Company	Attributable to Non Controlling Interest	Total
	Security Premium Account	Retained Earnings	Capital Redemption Reserve	Equity Share warrant forfeited	General Reserve				
<b>Opening as on April 01, 2019</b>	<b>14,572.54</b>	<b>51,643.16</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(909.05)</b>	<b>1,09,018.51</b>	<b>0.01</b>	<b>1,09,018.52</b>
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	-	-	28,028.66	28,028.66
Profit for the year	-	37,038.30	-	-	-	-	37,038.30	3,611.12	40,649.42
Impact due to Fair Value adjustment of Government Grant	-	-	-	-	-	-	-	-	-
Remeasurement of net defined benefit liability/asset ( net of tax )	-	-	-	-	-	(585.06)	(585.06)	(44.27)	(629.33)
Dividends paid (including Dividend Distribution Tax)	-	(7,967.75)	-	-	-	-	(7,967.75)	-	(7,967.75)
<b>Balance as on March 31, 2020</b>	<b>14,572.54</b>	<b>80,713.71</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,494.11)</b>	<b>1,37,504.00</b>	<b>31,595.52</b>	<b>1,69,099.52</b>
<b>Opening as on April 01, 2020</b>	<b>14,572.54</b>	<b>80,713.71</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,494.11)</b>	<b>1,37,504.00</b>	<b>31,595.52</b>	<b>1,69,099.52</b>
Profit for the year	-	(310.42)	-	-	-	-	(310.42)	(127.84)	(438.26)
Impact due to Fair Value adjustment of Government Grant	-	-	-	-	-	-	-	-	-
Remeasurement of net defined benefit liability/asset ( net of tax )	-	-	-	-	-	372.22	372.22	110.11	482.33
<b>Balance as on March 31, 2021</b>	<b>14,572.54</b>	<b>80,403.29</b>	<b>6,500.00</b>	<b>277.50</b>	<b>36,934.35</b>	<b>(1,121.89)</b>	<b>1,37,565.80</b>	<b>31,577.79</b>	<b>1,69,143.59</b>

The Board of Directors of the Holding Company recommended a Dividend of ₹ 1/- per share (for the year ended March 31, 2020 dividend of ₹ 5.00/- per share) be paid on fully paid Equity Shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The total equity dividend to be paid is ₹ 660.49 Lakhs (for the year ended March 31, 2020 dividend ₹ 3,302.45 Lakhs). Income Tax on proposed dividend is not applicable from April 01, 2020 (for the year ended March 31, 2020 ₹ 678.82 Lakhs). The Company had distributed interim dividend @ ₹ 5/- per share, amounting to ₹ 3,302.45 for the year 2019-20. The same has been treated as Final Dividend.

- Security Premium Account :** This Reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.
- Retained Earnings :** This Reserve represents the cumulative profits of the Company and effects of measurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.
- Capital Redemption Reserve :** This Reserve has been created in relation to debenture issuance and can be utilised in accordance with the provisions of the Companies Act, 2013.
- Equity Share Warrant Forfeited :** This Reserve represents forfeiture of share warrant by failing to meet purchase requirements and can be utilised in accordance with the provisions of the Companies Act, 2013.
- General Reserve :** This Reserve created by an appropriation from one component of Equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.
- Other Comprehensive Income :** Other Comprehensive Income is created in compliance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended.





## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 19   NON CURRENT BORROWINGS	As at	
	March 31, 2021	March 31, 2020
<b>Non-current Borrowings</b>		
<b>Secured (at amortized cost)</b>		
Non-convertible Debentures (NCD)	15,840.00	19,800.00
<b>Term Loans</b>		
a) From Banks		
Rupee Loans	16,170.83	10,375.00
Foreign Currency Loans	14,694.50	20,339.51
b) Term Loans from Financial Institutions:		
Rupee Loans	-	7,500.00
Foreign Currency Loans	-	-
<b>Total Term Loans</b>	<b>46,705.33</b>	<b>58,014.51</b>
Less: Unamortised value of transaction cost	189.46	311.99
Less: Current maturities of Long Term Borrowings	14,472.47	12,479.26
<b>Total Non-current Term Loans</b>	<b>32,043.40</b>	<b>45,223.26</b>
<b>Unsecured (at amortized cost)</b>		
<b>Other loans</b>		
i) From Others		
Interest Free Loan under Sales Tax Deferment Scheme from State Government of Karnataka	8,795.64	8,670.32
Add: Ind AS fair value adjustment	134.53	59.55
Less: Current maturity of Long Term Borrowings	390.54	469.97
<b>Total Other Loans</b>	<b>8,539.63</b>	<b>8,259.90</b>
<b>Total Non-Current Borrowings</b>	<b>40,583.03</b>	<b>53,483.15</b>

### Nature of Security

#### Non-Convertible Debentures

- 1) 10.30% p.a. interest bearing 1980 debentures of face value of ₹ 10,00,000 each issued on a private placement basis. NCDs are redeemable at par in 5 equal instalments at the end of 15th, 27th, 39th, 51st and 60th month from the deemed date of allotment on 18.10.2019. NCDs are secured by way of first charge on the entire movable fixed assets of the Company pertaining to the Paper Division at Dandeli, which gives a security cover of minimum 1.25x ranking pari passu with other term loan facilities and pledge over 51% shares of M/s Andhra Paper Limited.

#### Term loans :

- 2) Loan from Axis Bank Limited is secured by way of first charge on the movable fixed assets including plant & machinery of Paper Division at Dandeli, which gives a security cover of minimum 1.25x ranking pari passu with Non Convertible Debentures, other term loan facilities and Short Term Loan from SCB.
- 3) ECB Euro Loan from Standard Chartered Bank (SCB) is secured by way of a first charge on the movable fixed assets of the Company pertaining to the Paper Division at Dandeli ranking pari passu with Non Convertible Debentures, other term loan facilities and Short Term Loan from SCB.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

- 4) ECB USD loan from Axis Bank Ltd is secured by way of first charge on company's movable fixed assets including plant & machinery of Paper Division at Dandeli, ranking pari passu with Non Convertible Debentures, Short Term Loan from SCB.
- 5) Term loan from Yes Bank Limited is secured by way of exclusive charge on present, future, movable & immovable assets of the subsidiary, West Coast Opticable Limited.
- 6) Term loan from ICICI Bank is secured by the way of first charge on the movable fixed assets of the company pertaining to Paper Division at Dandeli ranking pari pasu with Non Convertible Debentures, other loan facilities and Short Term Loan from SCB.

### Terms of repayment of term loan and other loans

#### As at March 31, 2021

Particulars	Amount Outstanding	Period	Terms of Repayment
Non-Convertible Debentures (10.30% p.a.)	15,840.00	Oct 2019 - Oct 2024	Yearly instalments
<b>Rupee Loan</b>			
Axis Bank Limited (6 Months MCLR + 0.75%)	8,333.33	July 2019 - July 2024	Monthly instalments
ICICI Bank Ltd. (1 Year MCLR + 0.6%)	7,500.00	Sept 2020 - Aug 2024	Quarterly instalments
Yes Bank Ltd. (9.55% p.a.)	337.50	Mar 2019 - Mar 2024	Monthly instalments
<b>Foreign Currency Loan:</b>			
Standard Chartered Bank - ECB € Loan (3 Months EURIBOR + 2.25%)	10,854.14	May 2019 - April 2024	Quarterly instalments
Axis Bank Limited - ECB \$ Loan (3 months Libor + 1.75%)	3,840.36	Feb 2020 - Aug 2022	Quarterly instalments
Interest Free - Sales tax Loan	8,795.64	June 2014 - June 2025	Yearly instalments
<b>Total term loan</b>	<b>55,500.97</b>		

#### As at March 31, 2020

Particulars	Amount Outstanding	Period	Terms of Repayment
Non-Convertible Debentures (10.30% p.a.)	19,800.00	Oct 2019 - Oct 2024	Yearly instalments
<b>Rupee Loan</b>			
Axis Bank Limited (6 Months MCLR + 0.75%)	10,000.00	July 2019 - July 2024	Monthly instalments
Axis Finance Limited (10.20%p.a.)	7,500.00	Sept 2020 - Aug 2024	Quarterly instalments
Yes Bank Ltd. (9.70% p.a.)	375.00	Mar 2019 - Mar 2024	Monthly instalments
<b>Foreign Currency Loan:</b>			
Standard Chartered Bank - ECB € Loan (3 Months EURIBOR + 2.25%)	13,710.54	May 2019 - April 2024	Quarterly instalments
Axis Bank Limited - ECB \$ Loan (3 months Libor + 1.75%)	6,628.97	Feb 2020 - Aug 2022	Quarterly instalments
Standard Chartered Bank - ECB \$ Loan (3 Months Libor + 1.75%)	-	Aug 2017 - Feb 2020	Quarterly instalments \$ 9.97 Million Balance taken over by Axis Bank Ltd.
Interest Free Sales tax Loan	8,670.32	June 2014 - June 2025	Yearly instalments
<b>Total term loan</b>	<b>66,684.83</b>		



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

		As at	
		March 31, 2021	March 31, 2020
<b>Note 20</b>	<b>OTHER FINANCIAL LIABILITIES</b>		
	<b>Non-current</b>		
	<b>Dealer Deposits</b>	4,225.11	3,998.42
	Deferred Government Grant	1,919.85	2,498.59
	Lease liability	863.32	1,358.64
	<b>Total Non-Current Other Financial Liabilities</b>	<b>7,008.28</b>	<b>7,855.65</b>
	<b>Current</b>		
	Current maturities of long term debts	14,863.01	12,949.23
	Current maturities of Deferred Government Grant	578.74	578.74
	Interest accrued but not due on borrowings	415.38	563.30
	Unpaid dividend	120.62	123.76
	Trade or security deposits received	2,593.54	2,798.04
	Other financial liabilities	7,344.32	6,933.79
	Lease liability	494.22	483.36
	Payable on purchase of fixed assets	360.91	957.41
	<b>Total Current Other Financial Liabilities</b>	<b>26,770.74</b>	<b>25,387.63</b>
	<b>Total Other Financial Liabilities</b>	<b>33,779.02</b>	<b>33,243.28</b>
<b>Note 21</b>	<b>PROVISIONS</b>		
	<b>Non-current</b>		
	Provision for Employee benefit	589.06	850.96
	<b>Total Non-Current Provisions</b>	<b>589.06</b>	<b>850.96</b>
	<b>Current</b>		
	Provision for Employee benefit	610.57	1,065.56
	<b>Other provisions</b>		
	For contingencies (Refer Note 58)	5,361.97	5,530.66
	For others	2,357.43	2,357.43
	<b>Total Current Provisions</b>	<b>8,329.97</b>	<b>8,953.65</b>
	<b>Total Provisions</b>	<b>8,919.03</b>	<b>9,804.61</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

	As at	
	March 31, 2021	March 31, 2020
<b>Note 22   DEFERRED TAX LIABILITIES</b>		
Deferred tax liabilities on account of WDV of fixed assets	13,268.58	14,146.11
	13,268.58	14,146.11
Deferred tax assets on account of:		
Carried forward of unabsorbed depreciation	-	(11.42)
Disallowances under Income Tax Act, 1961, allowed on payment basis	(1,467.02)	(1,518.98)
Long term capital loss carried forward	(22.75)	(20.86)
Financial assets at FVTOCI	88.44	51.39
Provision for doubtful debts	(31.84)	(31.80)
Others	(14.96)	(70.03)
Adjustments to Ind AS	-	-
Tax holiday period	-	-
	(1,448.13)	(1,601.70)
<b>Total Deferred Tax Liabilities</b>	<b>11,820.45</b>	<b>12,544.41</b>
Less: MAT Credit (Entitlement)/ Reversals	6.24	6.24
<b>Total Deferred Tax Liabilities net of MAT Credit</b>	<b>11,814.21</b>	<b>12,538.17</b>
<b>Note 23   OTHER NON-CURRENT LIABILITIES</b>		
Decommissioning & Dismantling liability	7,568.59	7,209.76
<b>Total Other Non-Current Liabilities</b>	<b>7,568.59</b>	<b>7,209.76</b>
<b>Reconciliation</b>		
Opening Balance	7,209.76	6,833.56
Unwinding of discounts and effect of change in discount rate	358.83	376.20
Reduction arising from payments	-	-
<b>Closing balance</b>	<b>7,568.59</b>	<b>7,209.76</b>
<b>Note 24   CURRENT BORROWINGS</b>		
<b>Current</b>		
<b>Secured</b>		
Loan repayable on demand from banks*	10,771.03	8,838.56
<b>Total Current Borrowings</b>	<b>10,771.03</b>	<b>8,838.56</b>

\* The short term loans from Banks are secured by Joint Hypothecation of Stores, Spares, Raw Materials, Stock-in-process, Finished Goods, Book Debts etc., ranking pari-passu charge.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

		As at	
		March 31, 2021	March 31, 2020
<b>Note 25</b>	<b>TRADE PAYABLES</b>		
	<b>Trade Payables</b>		
	Micro, Small & Medium Enterprises [Refer Note 49]	2,854.74	1,005.98
	Others	17,593.48	19,799.78
	<b>Total Trade Payables</b>	<b>20,448.22</b>	<b>20,805.76</b>
<b>Note 26</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Statutory liabilities	1,070.22	831.17
	Other liabilities	8,327.53	5,912.67
	<b>Total Other Current Liabilities</b>	<b>9,397.75</b>	<b>6,743.84</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

		For the year ended	
		March 31, 2021	March 31, 2020
<b>Note 27</b>	<b>REVENUE FROM OPERATIONS</b>		
	<b>Sales of Products</b>		
	Paper and Board	2,14,986.76	2,37,180.71
	Cables	8,064.66	10,459.51
	Wind Power	17.32	14.11
	<b>Other Operating Revenues</b>		
	Export Promotion Incentive	208.35	308.42
	Scrap Sales	1,154.24	950.22
	Sale of saplings	20.36	3.82
	Incidental charges recovered from customers	1.21	13.15
	<b>Total Revenue from Operations</b>	<b>2,24,452.90</b>	<b>2,48,929.94</b>
<b>Note 28</b>	<b>REVENUE FROM TRADING OPERATIONS</b>		
	Revenue from Trading Operations	-	355.51
	<b>Total Revenue from Trading Operations</b>	<b>-</b>	<b>355.51</b>
<b>Note 29</b>	<b>OTHER INCOME</b>		
	<b>Interest Income</b>		
	From Banks	927.99	561.17
	From Others	306.80	1,287.73
	<b>Other Non - Operating Income</b>		
	Profit on sale of Property, Plant & Equipment	-	6.17
	Rent received	46.81	68.39
	Income from government grant	520.65	561.68
	Profit on sale/ fair value of Investment	92.74	1,704.58
	Liabilities and provisions written back	395.81	964.01
	Others	175.30	205.48
	<b>Total Other Income</b>	<b>2,466.10</b>	<b>5,359.21</b>
<b>Note 30</b>	<b>COST OF MATERIALS CONSUMED</b>		
	Pulp Wood, Pulp & Waste Paper	67,537.08	82,436.45
	Optical Fiber, PBT, HDPE & Others	5,663.86	6,225.26
	Chemicals & Dyes	29,327.01	33,809.06
	Packing Materials	6,974.90	6,990.20
	<b>Total Cost of Raw Material Consumed</b>	<b>1,09,502.85</b>	<b>1,29,460.97</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

		For the year ended	
		March 31, 2021	March 31, 2020
<b>Note 31</b>	<b>PURCHASES OF STOCK IN TRADE</b>		
	Purchase of Trading Goods	-	92.73
	<b>Total Cost of Material Consumed</b>	<b>-</b>	<b>92.73</b>
<b>Note 32</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS</b>		
	Opening Stock of Finished Goods		
	- Paper and Board	14,001.66	3,111.36
	Add: Inventory on date of acquisition of Andhra Paper Limited	-	2,334.73
	- O. F. C. Cables, etc.	423.44	381.30
		<b>14,425.10</b>	<b>5,827.39</b>
	Closing Stock of Finished Goods		
	- Paper and Board	6,909.95	14,001.66
	- O. F. C. Cables, etc.	792.26	423.44
	Changes in Inventory of Finished Goods	<b>7,702.21</b>	<b>14,425.10</b>
		<b>6,722.89</b>	<b>(8,597.71)</b>
	Opening Stock of Work-in-progress	2,690.08	539.03
	Add: Inventory on date of acquisition of Andhra Paper Limited	-	1,125.90
	Closing Stock of Work-in-progress	1,583.41	2,690.08
	Changes in inventory of Work-in-progress	<b>1,106.67</b>	<b>(1,025.15)</b>
	<b>Total changes in inventory of WIP and Finished goods</b>	<b>7,829.56</b>	<b>(9,622.86)</b>
<b>Note 33</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	Salaries, Wages and Bonus	26,869.23	19,339.57
	Contribution to Provident & Other Funds	2,061.85	1,477.34
	Staff Welfare Expense	2,384.07	1,473.84
	<b>Total Employee Benefit Expenses</b>	<b>31,315.15</b>	<b>22,290.75</b>
<b>Note 34</b>	<b>FINANCE COSTS</b>		
	<b>Interest Expense:</b>		
	Term Loans	4,164.57	3,141.14
	Others	1,591.39	2,000.13
	Interest cost on Sales Tax Loan	670.29	654.84
	Other Borrowing Costs	277.76	233.83
	Net Loss / ( Gain ) on Foreign Currency Transactions & Translation	307.26	1,466.05
	<b>Total Finance costs</b>	<b>7,011.27</b>	<b>7,495.99</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

	For the year ended	
	March 31, 2021	March 31, 2020
<b>Note 35   DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation on Property, Plant and Equipment's	21,396.65	19,098.08
Amortisation of Intangible Assets	1,061.52	462.35
Amortization of Right of use Assets	477.20	225.36
<b>Total Depreciation and Amortisation</b>	<b>22,935.37</b>	<b>19,785.79</b>
<b>Note 36   OTHER EXPENSES</b>		
Consumption of Stores & Spare Parts	9,003.29	8,010.56
Power, coal and water	25,276.49	21,860.69
Rent	581.66	381.17
Repair and maintenance of Buildings	1,819.94	1,933.43
Repair and maintenance of Plant and Machinery	3,221.18	2,588.05
Repair and maintenance of other assets	774.45	740.64
Insurance	1,361.96	306.05
Rates & Taxes	315.95	118.51
Research & Development expenses	123.14	101.28
Miscellaneous expenses	3,471.27	4,645.29
Payment to Auditors	116.16	73.19
Foreign exchange variation	19.53	28.76
Forwarding charges on sales	1,877.23	1,643.46
Commission on sales	611.62	743.12
Provision for doubtful debts	32.99	109.17
Provision for diminution in value of investment	-	23.60
Commission to Director	-	1,431.02
Directors' fees	68.41	26.67
Charity & donations	28.30	32.10
Corporate Social Responsibility expenses (Refer Note 48)	977.09	476.87
Loss on discard of assets	697.85	-
Loss on sale of Property, plant & equipment	162.76	139.58
Loss of stock due to fire (net)	-	26.53
<b>Total Other Expenses</b>	<b>50,541.27</b>	<b>45,439.74</b>





## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Note 37   INCOME TAX EXPENSE	For the year ended	
	March 31, 2021	March 31, 2020
<b>Current Tax Expense</b>		
Current Tax on profits for the year	548.95	6,535.60
Current Tax on profits for earlier years	199.43	(93.15)
MAT Credit (Entitlement)/ Reversals for the year	-	(1,234.50)
MAT Credit (Entitlement)/ Reversals for earlier years	318.56	(135.30)
<b>Total Current Tax Expense</b>	<b>1,066.94</b>	<b>5,072.65</b>
<b>Deferred Tax</b>		
<b>Decrease / (increase) in deferred tax assets</b>		
Property, Plant and Equipment	(3,036.53)	(6,264.95)
<b>(Decrease) / increase in deferred tax liabilities</b>		
Disallowance under section 43B	(85.68)	215.55
Longterm capital loss carried forward	-	0.71
Tax holiday period	1.43	96.77
Adjustments to Ind AS	(168.20)	(44.11)
Provision for doubtful debts	(11.46)	(24.49)
Others	54.63	-
<b>Total Deferred Tax expense / (income)</b>	<b>(3,245.81)</b>	<b>(6,020.52)</b>
<b>Total Income Tax Expense</b>	<b>(2,178.87)</b>	<b>(947.87)</b>



# Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

	As at	
	March 31, 2021	March 31, 2020
<b>Note 38   CONTINGENT LIABILITIES AND COMMITMENTS</b>		
<b>Contingent Liabilities &amp; Commitments</b>		
<b>a. Contingent Liabilities :</b>		
I. Claims against the Company not acknowledged as debts in respect of		
a. Income tax matters, pending decisions on various appeals made by the Group and by the Department (refer Note I below) (refund adjusted against demand ₹ 664 Lakhs, Previous Year ₹ 662 Lakhs)	3,332.64	3,437.42
b. Excise matters & Service Tax under dispute	2,046.33	1,972.10
c. Custom matter under dispute	540.27	540.27
d. Sales Tax matter under dispute	377.95	372.06
e. Other matters under dispute	2,070.58	3,961.20
II. Other money for which the Holding Company is contingently liable :		
a. Corporate Guarantee given to Subsidiary's Bankers (at the close of the year)	337.50	375.00
b. Commitments :		
I. Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advance of ₹ 916.84 Lakhs - Previous Year ₹ 364 Lakhs)	1,807.55	2,972.64

**Notes :****1 Income Tax :**

- The Income Tax assessments have been completed up to AY 2016-17.
- In the books of accounts, the Group is accounting Income tax refunds after adjustment of tax demands by IT authorities, if any. The matters are pending before High Court and ITAT for various issues. Based on legal opinion the Group is contesting those tax demands / disallowances at appropriate level. The Group has therefore not recorded adjustment of taxes/order in books.
- MATERIAL DEMANDS AND DISPUTES CONSIDERED AS "REMOTE" BY THE HOLDING COMPANY:  
The Holding Company claimed deduction under Section 80 IA of the Income Tax Act 1961 in its return of Income for Power Undertaking for Financial Year 1998-99 to 2019-20 and for Effluent ( Water ) treatment for financial year 2016-17 to 2019-20. The assessing officer disallowed the benefit of deductions at assessment stage. Company had preferred appeals with Commissioner Appeals and / or ITAT. The ITAT partly allowed the appeals of the company. Department / Company have preferred appeal against the order of ITAT. As advised by legal advisors, Company has a strong case / merit for claiming the deduction and thus expects a favorable outcome.
- The total demand outstanding as on 31.03.2021 on account of income tax dues is ₹ 3332.64 lakhs (₹ 3437.42 lakhs), net of tax paid/adjusted under protest ₹ 664 Lakhs.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(All amounts of ₹ in Lakhs, except share data and unless otherwise stated)

### Note 39 | LOAN PURCHASE AGREEMENT

The Holding Company had entered into a loan purchase agreement with ICICI Bank Ltd. for ₹ 4000 Lakhs in respect of borrowings of Shree Rama Newsprint Limited (SRNL) after sale of its investment in shares of SRNL. The loan purchase agreement stipulates that upon occurrence of default ICICI Bank Ltd. will have “a right” to require the Holding Company to purchase the loan outstanding of SRNL along with transfer of underlying security by ICICI Bank Ltd., to the Holding Company. The outstanding balance as at March 31, 2021 of SRNL loan is ₹ 3600.50 Lakhs with principal repayment due by June 30, 2025. The Holding Company does not foresee any event of default, further the security value is significantly higher than the outstanding loan balance and hence no liability is envisaged in this respect.

### Note 40

During the year, a supplier has made an unsubstantiated claim of approximately ₹ 3600 Lakhs against the Cable division of the Holding Company for alleged breach of contract and has initiated Arbitration proceedings against the Holding Company and the trial is yet to commence. Based on the available facts of the case, the Holding Company has been legally advised that they have a strong case to defend, basis which the management presently does not envisage any material liability in this regard.

Note 41   EARNINGS PER SHARE [EPS] COMPUTED IN ACCORDANCE WITH IND AS 33 :	For the year ended	
	March 31, 2021	March 31, 2020
<b>Earnings</b>		
Profit / (Loss) for the year attributable to Owners	(310.42)	37,038.30
<b>Shares</b>		
Number of shares at the beginning of the period	6,60,48,908	6,60,48,908
Add : Shares issued during the period	-	-
Total number of equity shares outstanding at the end of the period	6,60,48,908	6,60,48,908
Weighted average number of equity shares outstanding during the period	6,60,48,908	6,60,48,908
Earnings per share (Basic / Diluted) (Face value ₹ 2/- per share)	(0.47)	56.08



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Note 42 | RELATED PARTY DISCLOSURES AS PER IND AS 24

#### I. Relationship :

##### a. Associate Company

- 1) Speciality Coatings and Laminations Ltd.

##### b. Enterprises where principal shareholders have control

- 1) Veer Enterprises Ltd.
- 2) Shree Satyanarayan Investments Company Ltd.
- 3) Siddhi Trade & Holdings Pvt. Ltd.
- 4) Rangnath Bangur Charitable Trust
- 5) Shree Ram Trust
- 6) Bangur Trust
- 7) The Marwar Textiles Agency Pvt. Ltd.
- 8) Kilkotagiri & Thirumbadi Plantations Ltd.

##### c. Key Management Personnel (KMP)

- 1) Shri S.K.Bangur (Chairman & Managing Director)
- 2) Shri Virendraa Bangur (Joint Managing Director) ( w.e.f June 26, 2020)
- 3) Shri Rajendra Jain (Executive Director)
- 4) Shri Brajmohan Prasad (Company Secretary)

##### d. Relative of Key Management Personnel

- 1) Smt. Shashi Bangur
- 2) Shri Saurabh Bangur

##### e. Company in which Director is common

- 1) Gloster Cables Ltd.

##### f. Non-Executive / Independent Directors on the Board

- 1) Smt Shashi Bangur
- 2) Shri Saurabh Bangur
- 3) Shri P N Kapadia
- 4) Shri Amitav Kothari
- 5) Shri Sudarshan Somani
- 6) Smt Arpita Vinay (w.e.f June 26, 2020)
- 7) Shri Shiv Ratan Goenka (w.e.f January 29, 2021)

##### g. Post Employment Benefit Plan

- 1) Employees Provident Fund of West Coast Paper Mills Ltd.
- 2) Gratuity Fund of West Coast Paper Mills Ltd.
- 3) PF Trust of Andhra Paper Ltd.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### II. The following is a summary of related party transactions

Particulars	As at	
	March 31, 2021	March 31, 2020
i. Rent paid to :		
1) Veer Enterprises Ltd.	130.24	115.18
2) Shree Satyanarayan Investment Company Ltd.	87.23	71.68
3) Siddhi Trade & Holdings Pvt. Ltd.	17.57	16.23
4) Shri S. K. Bangur	23.54	22.41
5) Smt. Shashi Bangur	4.80	4.80
6) The Marwar Textiles Agency Pvt Ltd.	0.65	0.65
ii. Charity & Donations :		
1) Rangnath Bangur Charitable Trust	20.00	30.00
2) Shree Ram Trust	4.00	2.10
3) Bangur Trust	4.00	-
iii. Compensation to KMP :		
Salary & other Employee benefits to Directors and Executive Officers	485.47	1,669.98
iv. Compensation to Shri Virendraa Bangur	-	25.37
v. Purchases from Gloster Cables Ltd.	98.82	114.24
vi. Rent received from Gloster Cables Ltd.	11.61	10.80
vii. Sales to Kilkotagiri & Thirumbadi Plantations Ltd.	4.28	1.87
viii. Contribution to Post Employment Benefit Plan		
1) Employees Provident Fund of West Coast Paper Mills Ltd.	538.66	508.96
2) Gratuity Fund of West Coast Paper Mills Ltd.	237.99	170.02
3) PF Trust of Andhra Paper Ltd.	468.36	236.66

### III. The Company has the following amounts due to/from related parties :

Particulars	As at	
	March 31, 2021	March 31, 2020
i. Due to related Parties		
1) Gloster Cables Ltd. - Purchases	-	11.71
2) Employees Provident Fund of West Coast Paper Mills Ltd.	48.90	44.70
3) Gratuity Fund of West Coast Paper Mills Ltd.	159.64	678.14
4) PF Trust of Andhra Paper Ltd.	39.73	40.36
ii. Due from related Parties		
1) Veer Enterprises Ltd. - Security Deposit	24.60	22.35
2) Shree Satyanarayan Investments Company Ltd. - Security Deposit	21.10	21.10
3) Smt. Shashi Bangur - Security Deposit	2.40	2.40
4) The Marwar Textiles Agency Pvt Ltd.	0.20	0.20
5) Kilkotagiri & Thirumbadi Plantations Ltd. - Sales	1.84	3.67



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Note 43 | EMPLOYEE BENEFIT PLANS

As per Ind AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

#### [A] Defined Contribution Plan

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

Particulars	For the year	
	2020-21	2019-20
Employer's Contribution to Provident Fund/Pension Fund	1497.45	1,107.95
Employer's Contribution to Superannuation Fund	51.76	56.98

#### [B] Defined Benefit Plan

The following table sets out the status of the Gratuity Plan as required under IND AS-19 :

#### Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Opening defined benefit obligation	6,777.14	5,800.32
Current service cost	426.46	374.17
Interest cost	445.93	434.21
Benefits paid	(507.14)	(331.15)
Actuarial losses / (gain)	121.44	499.59
Obligations at the end of the period	7,263.83	6,777.14

#### Change in Plan Assets

Opening fair value of plan assets	5,804.36	5,505.27
Interest income on plan assets	384.57	417.20
Actuarial gain / (losses)	586.46	(298.55)
Contributions by employer	1,068.12	511.54
Benefits paid	(507.15)	(331.10)
Closing fair value of plan assets	7,336.36	5,804.36

#### Amount recognized in Balance Sheet

Present value of funded obligations	(7,263.83)	(6,777.14)
Fair Value of plan assets	7,336.36	5,804.36
Net Asset / (Liability)	72.53	(972.78)



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Expense recognised in statement of Profit and Loss Account

Particulars	For the year	
	2020-21	2019-20
Current service cost	426.46	263.02
Interest cost	445.93	238.36
Interest income on plan assets	(384.57)	(223.62)
Net income / expenses recognized in Statement of Profit & Loss	487.82	277.76

### Expense recognised in OCI

Actuarial (gain) / losses on obligation for the period	232.75	499.60
Return on plan assets, excluding interest income	(685.41)	298.55
Net (income) / expenses recognized in Other Comprehensive Income	(452.66)	798.15

### Sensitivity Analysis

Effect of +1% increase in discount rate	(419.13)	(298.33)
Effect of -1% decrease in discount rate	478.37	331.09
Effect of +1% increase in salary rate	488.23	341.38
Effect of -1% decrease in salary rate	(434.26)	(310.98)
Effect of +1% increase in employee turnover	106.76	102.03
Effect of -1% decrease in employee turnover	(116.91)	(111.51)

### Maturity profile of projected benefit obligation from the fund

1st following year	1,727.45	1,448.86
2nd following year	676.30	634.60
3rd following year	678.72	727.92
4th following year	605.69	624.69
5th following year	513.51	570.89
Sum of years 6 and above	5,424.55	7,839.02

### Category of Plan Assets

Managed by:		
LIC	31.31%	29.46%
Aditya Birla Capital	0.88%	0.96%
ICICI Prudential Life Insurance	21.05%	21.79%
Insurer Managed Funds - AP	46.76%	47.79%



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Financial assumptions at the valuation date

Particulars	For the year	
	2020-21	2019-20
Discount rate (WCPM/APL)	6.85% / 6.35%	6.83% / 6.85%
Estimated rate of return on plan assets (WCPM/APL)	6.85% / 7.00%	6.83% / 7.50%
Salary escalation over and above highest of salary in grade (WCPM/APL)	1.00% / 6.00%	1.00% / 6.00%

Particulars	As at 2020-21	2019-20	
		Final of 2018 - 19	Interim & Final of 2019 - 20
<b>Note 44   DIVIDEND REMITTANCE TO FOREIGN INVESTORS (INR)</b>			
Number of non-resident shareholders	-	464	488
Number of shares held by them on which dividend was paid	-	2,88,340	2,86,769
Amount remitted - net of tax (₹ lakhs)	-	14.42	14.34

### Note 45 | SEGMENT INFORMATION

Pursuant to Ind As 108 – Segment Reporting, information about Business Segments (Information provided in respect of revenue items for the year ended March 31, 2021 and in respect of assets / liabilities as at March 31, 2021 is disclosed as under :

- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Unallocable”
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocable”.





## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Particulars	Paper		Cables		Others		Unallocable		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>Segment Revenue</b>										
Turnover	2,16,340.24	2,38,385.04	8,095.34	10,886.30	17.32	14.11			2,24,452.90	2,49,285.45
<b>Total Turnover</b>	<b>2,16,340.24</b>	<b>2,38,385.04</b>	<b>8,095.34</b>	<b>10,886.30</b>	<b>17.32</b>	<b>14.11</b>			<b>2,24,452.90</b>	<b>2,49,285.45</b>
Segment result before Interest and Taxes	4,331.54	44,515.42	804.14	2,114.90	(8.63)	(1.46)			5,127.05	46,628.86
Less : Finance Cost							7,011.26	7,495.99	7,011.26	7,495.99
Less : Other Expenditure							332.25	(568.68)	332.25	(568.68)
Less : Exceptional Items							400.66	-	400.66	-
Profit / (Loss) Before Tax							(7,744.17)	(6,927.31)	(2,617.13)	39,701.55
Current Tax							748.38	6,442.45	748.38	6,442.45
MAT Credit (Entitlement) / Reversal							318.56	(1,369.80)	318.56	(1,369.80)
Deferred Tax							(3,245.81)	(6,020.52)	(3,245.81)	(6,020.52)
<b>Profit / (Loss) for the year</b>							<b>(5,565.30)</b>	<b>(5,979.44)</b>	<b>(438.26)</b>	<b>40,649.42</b>
<b>Other Information</b>										
Segment Assets	3,04,434.07	3,15,567.29	9,260.28	7,472.12	51.10	48.22	-	-	3,13,745.45	3,23,087.63
Segment Liabilities	1,40,254.36	1,51,671.39	3,026.52	995.72	-	-	-	-	1,43,280.88	1,52,667.11
Capital Expenditure	7,303.95	11,043.22	101.08	522.13	-	-	-	-	7,405.03	11,565.35
Depreciation/Amortisation	22,695.35	19,666.30	239.96	119.41	0.06	0.08	-	-	22,935.37	19,785.79

### Particulars

As at

March 31, 2021      March 31, 2020

#### Note 46 | EVENT OCCURRING AFTER BALANCE SHEET DATE

The Holding Company has proposed dividend to equity share holders @ ₹ 1/- per share (Previous Year ₹ Nil per share)

660.49

-

# The Holding Company had distributed interim dividend @ ₹ 5/- (250%) per equity share, amounting to ₹ 3302.45 Lakhs for the year 2019-20. The same has been treated as Final Dividend.

**Note 47** | As per Ind AS 41 on "Agriculture" the company has fair valued its matured crops except for the crops fully matured at its Kuluwali plantation, Karnataka, since there is an on-going litigation and same will be accounted in the books of accounts upon the final disposal of the case.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Note 48 | EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITIES

(a) Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of Companies Act, 2013 read with schedule VII are as below :

Particulars	For the year ended	
	2020-21	2019-20
Gross amount required to be spent by the Group during the year	977.08	910.53
Amount spent during the year	977.08	476.87
Health care	240.43	14.31
Education and skill development	160.33	263.51
Protection of natural resources and sustainability	16.83	14.63
Safe drinking water	33.09	16.46
Sports and games	4.98	11.43
Rural development support	3.95	18.77
Others	72.26	137.76
On going projects for 2020-21		
-Spent during the year	9.50	-
-Unspent amount carried forward (since deposited into "Unspent CSR Bank Account")	435.71	445.21
	<b>977.08</b>	<b>476.87</b>

### Note 49 | THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of The Micro, Small and Medium Enterprises Development Act, 2006, are given below :

Particulars	As at	
	March 31, 2021	March 31, 2020
a. Principal amount remaining unpaid to suppliers at the end of the year	2854.74	1005.98
b. Interest due thereon remaining unpaid to suppliers at the end of the year	23.03	21.15
c. The amount of interest paid along with the amounts of the payment made to suppliers beyond the appointed day	-	-
d. The amount of interest due and payable	-	-
e. The amount of interest accrued and remaining unpaid at the end of accounting year	23.03	21.15
	<b>2877.77</b>	<b>1027.13</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Particulars

### For the year ended

March 31, 2021      March 31, 2020

#### Note 50 | INCOME TAX

##### a. Amount recognised in Statement of Profit and Loss

##### Current Income Tax

- Current Year	548.95	6,535.60
- Previous Years	199.43	(93.15)
- MAT Credit Entitlement / reversed	318.56	(1,369.80)

##### Total

Deferred Tax	(3,245.81)	(6,020.52)
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##### Income Tax expense reported in the Statement of Profit and Loss

	(2,178.87)	(947.87)
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##### b. Reconciliation of effective tax rate

Profit Before Tax	(2,617.13)	39,701.55
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Tax at applicable statutory income tax rate	(914.53)	12,832.37
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Effect of various disallowance of expenses	321.85	537.91
--	--------	--------

Effect of deduction under chapter via of Income Tax act	-	(4,923.96)
---	---	------------

Effect of reinstatement on Ind AS adoption	120.68	(105.89)
--	--------	----------

Effect of Ind AS adjustments to reduce DTL	(337.60)	(213.51)
--	----------	----------

Effect of timing differences in depreciation	6.11	3,019.01
--	------	----------

Effect of change in rate of tax	829.72	(4,634.54)
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Other differences	522.72	24.21
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Tax expense recognised in statement of profit and loss	548.95	6,535.60
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#### Note 51 | INFORMATION RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (IND AS 110)

- The Company has prepared consolidated financial as required under Ind AS110, Sections 129 of Companies Act, 2013 and listing requirements. The consolidated financial statement is available on Company's web site for public use.
- In view of acquisition of Andhra Paper Limited as subsidiary from October 30, 2019, the consolidated financial statements for the year ended March 31, 2021 are not comparable with corresponding previous year figures.
- At the end of the year the Company has one Associate Company as defined in Section 2(6) of Companies Act 2013. The Investment in Associate Company has been fully impaired in earlier years, in accordance with Para 38 & 39 of Ind AS 28, the company has not recognised additional loss over the investment during the year.

#### Note 52 | COMPANIES INCLUDED / NOT INCLUDED IN CONSOLIDATION

The wholly owned subsidiary of Andhra Paper Limited. Andhra Paper Foundation (Formerly known as IP India Foundation), carries out Corporate Social Responsibility activities. The same is not considered for the purpose of consolidation, as the objective of control over this entity is not to obtain economic benefits from its activities.



# Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

## Note 53 | FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### Categories of Financial Instruments

#### Financial Assets

Sl. No	Particulars	Note	As at			
			March 31, 2021		March 31, 2020	
			Carrying Value	Fair Value *	Carrying Value	Fair Value *
<b>1 Financial Assets Designated at Fair Value through Profit and Loss</b>						
i)	Derivatives - not designated as hedging instruments		-	-	-	-
ii)	Investment in Equity Shares	5	52.91	52.91	50.90	50.90
iii)	Investment in Mutual Fund	5	7,120.80	7,120.80	2,664.62	2,664.62
<b>2 Financial Assets designated at Fair Value through Other Comprehensive Income</b>						
i)	Investment in Equity Shares	5	1,918.00	1,918.00	1,759.00	1,759.00
<b>3 Financial Assets designated at Amortised Cost</b>						
i)	Investment in bonds	5	10,980.98	10,980.98	-	-
ii)	Investment in commercial papers	5	1,900.72	1,900.72	-	-
iii)	Others	5	0.10	0.10	0.10	0.10
iv)	Trade receivables	12	20,394.18	20,394.18	14,200.99	14,200.99
v)	Cash and cash equivalents	13	2,099.58	2,099.58	1,576.12	1,576.12
vi)	Other bank balances	14	7,047.50	7,047.50	15,928.30	15,928.30
vii)	Loans	6	6638.30	6638.30	4178.40	4178.40
viii)	Other financial assets	7	1133.93	1133.93	1889.79	1889.79
<b>4 Investment in step down subsidiary company</b>						
		5	5.00	5.00	5.00	5.00

\* There are no Financial Assets or Liabilities which fall under level 2 &amp; 3.

#### Financial Liabilities

Sl. No	Particulars	Note	As at			
			March 31, 2021		March 31, 2020	
			Carrying Value	Fair Value*	Carrying Value	Fair Value*
<b>1 Financial Liability Designated at Fair Value through Profit and Loss</b>						
i)	Derivatives - not designated as hedging instruments		-	-	-	-
<b>2 Financial Liability designated at Amortised Cost</b>						
i)	Borrowings	19,20,24	66,217.07	66,217.07	75,270.94	75,270.94
ii)	Trade payables	25	20,448.22	20,448.22	20,805.76	20,805.76
iii)	Other financial liability	20	14,939.26	14,939.26	15,250.96	15,250.96
iv)	Lease liability	20	1,357.55	1,357.55	1,842.00	1,842.00

The fair value of financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



# Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

## Note 54 | FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND DISCLOSURES

### 1 Financial Risk

The Group's operational activities expose to various financial risks i.e., market risk, credit risk and risk of liquidity. The Group realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk & interest rate risk. The Group uses derivative financial instruments to reduce foreign exchange risk exposures.

#### i Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types i.e., currency rate, interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

#### a Foreign currency risk and sensitivity

The primary market risk to the company is foreign exchange risk. The Company uses derivative financial instruments to reduce foreign exchange risk exposure and follows its risk management policies to mitigate the same. After taking cognizance of the natural hedge, the company takes appropriate hedges to mitigate its risk resulting from fluctuation in foreign currency exchange rate(s).

Particulars	USD / EURO outstanding in terms of ₹ Lakhs	
	As at	
	March 31, 2021	March 31, 2020
<b>Financial Assets</b>		
Cash and cash equivalents	294.91	488.66
Trade receivables	1,235.19	803.25
Other financial assets (including loans)	-	-
<b>Financial Liabilities</b>		
Trade payables	354.93	375.58
Borrowings	14,694.50	20,339.51
Interest accrued but not due	70.29	109.50
<b>Net Assets / Liabilities</b>	<b>13,589.62</b>	<b>19,532.68</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

The following significant exchange rates have been applied;

(Currency in ₹)

Particulars	As at	
	March 31, 2021	March 31, 2020
USD	73.11	75.63
Euro	85.75	82.83

### Foreign currency sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upto conversion into functional currency, due to exchange rate fluctuation between the previous reporting period and the current reporting period.

0.25% increase and decrease in foreign exchanges rates will have the following impact on profit before tax

Particulars	2020-21		2019-20	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD / EURO Sensitivity	(33.97)	33.97	(55.29)	55.29

Summary of exchange difference accounted in Statement of Profit and Loss :

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
<b>Currency fluctuations</b>		
Net foreign exchange (gain)/ losses shown as operating expenses	(35.00)	28.76
Net foreign exchange (gain)/ losses shown as finance cost	307.26	1,466.05
Net foreign exchange (gain)/ losses shown as other income	-	-
<b>Derivatives</b>		
Currency forwards (gain) / losses shown as operating expenses	-	-
Interest rate swaps (gain) / losses shown as finance cost	-	-
Net foreign exchange (gain)/ losses shown as other income	-	-
<b>Total</b>	<b>272.26</b>	<b>1,494.81</b>

### b. Interest rate risk and sensitivity

The Group's exposure to the risk of changes in market interest rates relates primarily to long term debt. The Group has entered into various interest rate swap contracts, in which it agrees to exchange, at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed upon principal amount. Borrowings at variable rates expose the Group to cash flow interest rate risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the Group and impact of floating rate borrowings on company's profitability.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Interest rate risk exposure

Particulars	As at			
	March 31, 2021		March 31, 2020	
Fixed rate borrowings	-	-	-	-
Variable rate borrowings	14,694.50	100%	20,339.51	100%
<b>Total</b>	<b>14,694.50</b>	<b>100%</b>	<b>20,339.51</b>	<b>100%</b>

### Sensitivity on variable rate borrowings

Particulars	Impact on Profit and Loss A/c		Impact on Equity	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	Interest rate increase by 0.25%	(36.74)	(50.85)	(36.74)
Interest rate decrease by 0.25%	36.74	50.85	36.74	50.85

### ii Credit Risk

The Group evaluates the customer credentials carefully from trade sources before appointment of any distributor and only financially sound parties are appointed as distributors. The Group secures adequate deposits from its distributor and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances / deposits and credit limit determined by the Group. The Group have stop supply mechanism in place in case outstanding goes beyond agreed limits.

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 14449.38 Lakhs and ₹ 10,051.00 Lakhs as of March 31, 2021 and March 31, 2020, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account as per the Group's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Revenue from top customer	4.27%	4.91%
Revenue from top five customers	16.72%	18.85%



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### a Credit risk exposure

The allowance for life time expected credit loss on customer balances for the year ended March 31, 2021 was ₹ 604.12 Lakhs

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Balance at the beginning	571.13	372.56
Impairment loss reversed	-	(15.91)
Additional provision created during the year (net)	32.99	214.48
Balance at end	604.12	571.13

### b Ageing analysis of Trade Receivables (Unsecured)

Particulars	For the year ended							
	March 31, 2021				March 31, 2020			
	Not due	Upto 6 months	6 - 12 months	Above 12 months	Not due	Upto 6 months	6 - 12 months	Above 12 months
Unsecured	12260.19	1,706.11	67.32	415.76	7697.81	1382.95	392.71	577.53

### iii Liquidity Risk

Liquidity risk arises when the Group will not be able to meet its present and future cash and collateral obligations. The risk management action focuses on the unpredictability of financial markets and tries to minimise adverse effects. The Group uses derivative financial instruments to hedge risk exposures. Risk management is carried out by the finance department under Forex Policies as adopted and duly approved by the Board. The Group's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and company monitors rolling forecasts of its liquidity requirements.

**The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2021.**

Particulars	Carrying amount	Less than 1 Year	1 - 5 Years	More than 5 Years	Total
Borrowings - Current	25,634.04	25,634.04	-	-	25,634.04
Borrowings - Non-current	40,583.03	-	40,583.03	-	40,583.03
Trade payables	20,448.22	20,448.22	-	-	20,448.22
<b>Other financial liabilities</b>					
a) Interest accrued but not due on loans	415.38	415.38	-	-	415.38
b) Lease liability	1,357.54	494.22	813.80	49.52	1,357.54
c) Deferred government grant	2,498.59	578.74	1,919.85	-	2,498.59
d) Unpaid dividend	120.62	120.62	-	-	120.62
e) Other financial liabilities	7,344.32	7,344.32	-	-	7,344.32
f) Payable on purchase of fixed assets	360.91	360.91	-	-	360.91
g) Trade or security deposits received	6,818.65	2,593.54	4,225.11	-	6,818.65





## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2020.

Particulars	Carrying amount	Less than 1 Year	1 - 5 Years	More than 5 Years	Total
Borrowings - Current	21,787.79	21,787.79	-	-	21,787.79
Borrowings - Non-current	53,483.15	-	53,483.15	-	53,483.15
Trade payables	20,805.76	20,805.76	-	-	20,805.76
<b>Other financial liabilities</b>					
a) Interest accrued but not due on loans	563.20	563.20	-	-	563.20
b) Lease liability	1,842.00	483.36	1,308.54	50.10	1,842.00
c) Deferred government grant	3,077.33	578.74	2,314.96	183.63	3,077.33
d) Unpaid dividend	123.76	123.76	-	-	123.76
e) Other financial liabilities	6,933.79	6,933.79	-	-	6,933.79
f) Trade or security deposits received	6,796.46	2,798.04	3,998.42	-	6,796.46
g) Payable on purchase of fixed assets	957.41	957.41	-	-	957.41

### 2 Competition and price risk

The Group faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

### 3 Capital risk management

The Group's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the Group may use appropriate means to enhance or reduce capital, as the case may be.

Particulars	March 31, 2021	March 31, 2020
Borrowings	66,217.07	75,270.94
Less: Cash and cash equivalents including bank balance	2,099.58	1,576.12
Less: Current investments	11,196.00	2,664.62
<b>Net Debt</b>	<b>52,921.49</b>	<b>71,030.20</b>
Equity	1,70,464.57	1,70,420.50
<b>Capital and Net Debt</b>	<b>223,386.06</b>	<b>2,41,450.75</b>
Gearing Ratio {Net debt / Capital and net debt}	23.69%	29.42%



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

### Note 55 | DERIVATIVE FINANCIAL INSTRUMENTS

- a The Group has variable interest foreign currency borrowings. To offset the risk of variation in interest rates, the Group has entered into fix pay and variable receipt, interest rate swaps, these swap contracts are in US Dollar. Outstanding amortised notional value of loan for swap contracts and MTM taken there on are as follows :

Particulars	March 31, 2021		March 31, 2020	
	FC in Mn	MTM in ₹ Lakhs	FC in Mn	MTM in ₹ Lakhs
US Dollar	22.68	(168.43)	0.375	(120.59)
EURO	21.24	(214.41)	-	-
	<b>43.92</b>	<b>(382.84)</b>	<b>0.375</b>	<b>(120.59)</b>

- b Foreign currency exposure not hedged as at the Balance Sheet date

The foreign currency exposures that have not been specifically hedged by a derivative instrument or otherwise are given below:

Particulars	March 31, 2021		March 31, 2020	
	FC in Mn	MTM in ₹ Lakhs	FC in Mn	MTM in ₹ Lakhs
US Dollar*	5.96	4,375.15	10.75	8,082.54
Euro	12.66	10,854.14	16.55	13,710.54
JPY	-	-	27.08	188.53
SEK	-	-	0.00	-
CHF	-	-	0.00	-
	<b>18.62</b>	<b>15229.29</b>	<b>54.38</b>	<b>21,981.61</b>

\* Net of receivables - US Dollar 0.001 Million - ₹ 0.48 Lakhs (Previous Year US Dollar 0.016 Million - ₹ 12.14 Lakhs)

### Note 56 | LEASED ASSET

Impact of Ind AS 116 on the Statement of Profit and Loss (In case of West Coast Paper Mills Ltd):

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Interest on lease liabilities	5.29	5.33
Depreciation on right of use assets	2.09	2.09
Less: Lease rental paid	5.81	5.81
Less : Amortisation of prepayment of leasehold land	-	-
<b>Impact on the Statement of Profit and Loss for the year</b>	<b>1.57</b>	<b>1.61</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

Impact of Ind AS 116 on the Statement of Profit and Loss (In case of APL) :

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Interest on lease liabilities	118.95	71.00
Depreciation on right of use assets	475.11	223.27
Less: Lease rental paid	600.24	227.71
Less : Amortisation of prepayment of leasehold land	-	11.24
<b>Impact on the Statement of Profit and Loss for the year</b>	<b>(6.18)</b>	<b>55.32</b>

**Note 57** | In case of one of the subsidiaries, Andhra Paper Ltd (APL), in the year ended March 31, 2017, the Hon'ble High Court for the State of Telangana and the State of Andhra Pradesh upheld the validity of levy of electricity duty @ 25 paise per unit by the State Government on consumption of electricity by captive generating units relating to earlier years. The said subsidiary (along with other petitioners) filed a Special Leave Petition in the Hon'ble Supreme Court, which in the interim, directed the petitioners to pay partial amount without prejudice to the rights and contentions of the petitioners, pursuant to which APL had paid ₹ 1,502.05 lakhs under protest in the year ended March 31, 2017. The matter is pending hearing.

In view of the inherent uncertainty in predicting the final outcome of the above litigation, the Management of APL has, on grounds of prudence and abundant caution, made a provision amounting to ₹ 3,143.24 lakhs (including ₹ 785.81 Lakhs on account of business combination during the earlier period) towards the potential liability in the event of an unfavourable verdict in this matter. Additionally, an amount of ₹ 785.81 lakhs has been disclosed as a contingent liability. On the basis of the legal advice obtained, in the opinion of the Management of APL, no further provision would be required in relation to this disputed matter.

**Note 58** | The Group carries a general provision for contingencies towards various disputed matters / claims made against the Company based on the Management's assessment. The movement of this provision account is as under:

Particulars	As at	
	March 31, 2021	March 31, 2020
Opening Balance	5,530.66	1,090.66
Provision made during the year due to Fair Valuation	-	4,440.00
Amounts utilized / reversed during the year	(168.69)	-
<b>Closing Balance</b>	<b>5,361.97</b>	<b>5,530.66</b>

### Note 59 | EXCEPTIONAL ITEMS

During the year ended March 31, 2021, the subsidiary's management has determined to de-commission certain plant and equipment. Consequently, there has been a write-down of the net book value of such plant and equipment amounting to ₹ 440.85 lakhs which has been disclosed as an exceptional item in the Statement of Profit and Loss.



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

(₹ in Lakhs)

**Note 60** | Additional Information pursuant to Para 2 to General Information for the Preparation of Consolidated Financial Statements :

### For the year 2020-21

S. No	Name of Entity	Relationship	Net Assets [ Total Assets minus Total Liability]		Share in Profit / (Loss) for the year		Share in Other Comprehensive Income / (Loss) for the year		Share in Total Comprehensive Income / (Loss) for the year	
			% of Consolidated net assets	Amount	% of Consolidated Profit	Amount	% of Consolidated other comprehensive income	Amount	% of Consolidated total comprehensive income	Amount
1	West Coast Paper Mills Ltd	Parent Company	93.49%	1,29,844.00	-65.95%	204.73	23.10%	85.98	470.37%	290.71
2	Andhra Paper Ltd.	Subsidiary Indian	6.54%	9,079.94	149.40%	(463.78)	76.83%	285.97	-287.69%	(177.80)
3	West Coast Opticable Ltd.	Subsidiary Indian	-0.03%	(37.16)	16.55%	(51.37)	0.07%	0.27	-82.68%	(51.11)
<b>Sub Total</b>			<b>100.00%</b>	<b>1,38,886.78</b>	<b>100.00%</b>	<b>(310.42)</b>	<b>100.00%</b>	<b>372.22</b>	<b>100.00%</b>	<b>61.80</b>
Non-controlling interest				31,577.79		(127.84)		110.11		(17.73)
<b>Grand Total</b>				<b>1,70,464.57</b>		<b>(438.26)</b>		<b>482.33</b>		<b>44.07</b>

### For the year 2019-20

S. No	Name of Entity	Relationship	Net Assets [ Total Assets minus Total Liability]		Share in Profit / (Loss) for the year		Share in Other Comprehensive Income / (Loss) for the year		Share in Total Comprehensive Income / (Loss) for the year	
			% of Consolidated net assets	Amount	% of Consolidated Profit	Amount	% of Consolidated other comprehensive income	Amount	% of Consolidated total comprehensive income	Amount
1	West Coast Paper Mills Ltd	Parent Company	93.32%	1,29,553.29	74.63%	27,640.03	80.47%	(470.81)	74.53%	27,169.23
2	Andhra Paper Ltd.	Subsidiary Indian	6.67%	9,257.75	25.31%	9,372.78	19.66%	(115.02)	25.40%	9,257.75
3	West Coast Opticable Ltd.	Subsidiary Indian	0.01%	13.94	0.07%	25.49	-0.13%	0.78	0.07%	26.25
<b>Sub Total</b>			<b>100.00%</b>	<b>1,38,824.98</b>	<b>100.00%</b>	<b>37,038.30</b>	<b>100.00%</b>	<b>(585.05)</b>	<b>100.00%</b>	<b>36,453.23</b>
Non-controlling interest				31,595.52		3,611.12		(44.27)		3,566.85
<b>Grand Total</b>				<b>1,70,420.51</b>		<b>40,649.42</b>		<b>(629.32)</b>		<b>40,020.08</b>



## Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2021 (Contd.)

**Note 61** | Due to COVID 19 and frequent lock down in several parts of the country, the demand for Paper had got impacted adversely. With the Government relaxing the restrictions in a phased manner and improvement in economic activities, the demand had picked up slowly through the quarters and peaked in Q4, 2021. However, with educational institutions remaining closed and people adopting safer working environment by working from home resulting in lower office activities, the demand of writing and printing largely remained subdued impacting the overall performance of the company for the year ended March 31, 2021. Further, the disruptions emerging out of 2nd wave of Pandemic may impact the subsequent period's performance.

The Group has made an assessment of possible impacts that may result from the COVID-19 pandemic on the carrying value of Property Plant & Equipment, Goodwill, Investments, MAT credit entitlements and other current and non-current assets, considering the internal and external information available and has concluded that no material adjustments are required at this stage in the financial statements. However, due to uncertainties around COVID 19, particularly those arising from the second wave in India, the eventual impact of it in the subsequent period may differ from that estimated as at the date of approval of these financial statements. The Group will continue to closely monitor any material changes to future economic conditions.

**Note 62** | Previous year's figures have been regrouped and reclassified wherever necessary.

**Note 63** | The financial statements are approved and adopted by Board of Directors of the Company in their meeting held on June 24, 2021.

The accompanying notes are an integral part of the Consolidated financial statements.

As per our Report of even date

For **Singhi & Co.**  
Chartered Accountants  
Firm Registration No. 302049E

**Sudesh Choraria**

Partner  
M.No. 204936

Place: Dandeli  
Date: June 24, 2021

**For and on behalf of the Board**

**S. K. Bangur**  
Chairman & Managing Director

**Virendraa Bangur**  
Joint Managing Director

**Rajendra Jain**  
Executive Director & CFO

**Saurabh Bangur**  
Vice Chairman

**Brajmohan Prasad**  
Company Secretary

**Shashi Bangur**  
**P. N. Kapadia**  
**Amitav Kothari**  
**Sudarshan Somani**  
**Arpita Vinay**  
**Shiv Ratan Goenka**  
Directors





**WESCO**  
Prime *SUPER* GREEN

**WESCO**  
Prime *SuperOrganic*



*Reimagining the future*

## FEATURES OF WESCO PRIME SUPER GREEN & WESCO PRIME SUPER ORGANIC CUP STOCK PAPER

100% Plastic Free Coated paper

Food Grade Paper

Good Heat Sealable

Odour Less and fully Repulpable

Scrap Generated attracts Good Price

Less Power consumption as it seals at lower temperature than Poly during Cup Making

Less Coating Percentage than alternate products

*The company fully endorses the policy of Government of India/State Governments regarding ban on Single use Plastic in phased manner to save planet earth.*

*In this direction West Coast has developed PLASTIC-FREE COATED PAPER for manufacturing Paper namely - WESCO PRIME SUPER GREEN & WESCO PRIME SUPER ORGANIC to replace single use Plastic paper cups.*

*Wesco Prime Super Green and Wesco Prime Super Organic have already been tested, confirmed and approved by CIPET Bhubneshwar, Orissa as Plastic Free Paper Board.*





**WESCO**  
PREMIUM PRINTING PRODUCTS

www.westcoastpaper.com



- WESCO Classic (57-140 GSM)
- WESCO Indigo Classic (54-90 GSM)
- WESCO Ultrashine (58-140 GSM)
- WESCO Vibrant (54-90 GSM)
- WESCO Supershine (57-140 GSM)
- WESCO Impression (54-90 GSM)
- WESCO Marvel (57-140 GSM)
- WESCO Imprint (54-90 GSM)



**WESCO**  
MG PRODUCTS



**WESCO**  
RANGE OF CUP STOCK

140 - 250 GSM	Eco - Friendly
For Hot & Cold Fluids	Recyclable



PRIME | BASE | LINER | ECO LINER | FIRMA | WALLKUP | AQUA BASE

**WESCO**  
STRAW BASE

**WESCO**  
STRAW FOLD

**WESCO**  
STRAW PRODUCTS





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