



COMMITTED TO THE EARTH

www.ruchirapapers.com

**RPL/CS/BSE/NSE/2021-22/**

**3<sup>rd</sup> September 2021**

**To**

The General Manager,  
Department of Corporate Service,  
BSE Limited,  
P. J. Tower, Dalal Street, Fort,  
Mumbai-400 023  
Scrip Code: **532785**

National Stock Exchange of India Limited,  
Exchange Plaza, Plot No. C/1  
G. Block , Bandra Kurla Complex,  
Bandra (E),  
Mumbai 400051  
Trading Symbol: **RUCHIRA EQ**

**SUB: 41<sup>st</sup> ANNUAL REPORT OF THE COMPANY FOR THE FY 2020-21.**

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,  
Please find attached 41<sup>st</sup> Annual Report of the Company for the FY 2020-21.

This is for your information, records and action please.

**Thanking You,  
For Ruchira Papers Limited**

**Vishav Sethi  
Company Secretary  
FCS-9300**



**Encl: As Above.**

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# REBOOT RESILIENT REBOUND



Ruchira Papers Limited  
Annual Report 2020-21

### Forward-looking statement

In this Annual Report, we have presented 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 identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## Content

Corporate snapshot	02
Our product basket	04
Our performance over the years	06
The management's overview	10
Operational review	13
Big numbers	14
Our ESG commitment	15
Value engineering	17
Our sustainable value creation model	19
Corporate social responsibility	26
Management discussion and analysis	27
Corporate information	32
Directors' report	33
Corporate governance report	59
Financial statements	77
Notice	108

# STRENGTHENING COMPETITIVENESS

In India's competitive paper sector, the goalpost is perpetually shifting.

This shift is marked by ongoing changes in currency rates, customs tariffs, resource costs, product applications, customer preferences and economic growth.

At Ruchira, we have addressed this dynamic environment through a complement of initiatives: projects directed at modernisation/upgradation, debottlenecking, enhancing resource yields, cost rationalisation, greater accruals use, moderated debt cost, quicker receivables and a widening product range.

During the last few years, these initiatives were implemented with a singular objective: reinforce control over realities within our operating domain.

*Strengthening our competitiveness.*

# REBOOT RESILIENT REBOUND

These attributes represent the personality of Ruchira Papers Limited.

These attributes were validated when the Company retained its profitability and growth in the most challenging year (FY20-21) in its existence.

## VALUES

### Values

**Honesty:** To be principled, straightforward and fair in all dealings.

**Integrity:** Maintaining the highest standard of professionalism.

**Flexibility:** Making it a norm to always stay a step ahead of change.

### Respect for the

**individual:** Giving each person room to contribute and grow.

### Respect for knowledge:

To acquire and apply cutting-edge expertise in all aspects of business.

### Team performance:

The team comes first; none of us is as good as all of us.

### Legacy:

Ruchira Papers Limited started the business of paper manufacturing in 1980. The Company was promoted by Umesh Chander Garg, Jatinder Singh and Subhash Chander Garg, who are still associated with the Company. The second generation of the promoter family has been engaged with the business for the last decade-and-a-half, addressing specific portfolios and responsibilities. The Company commenced operations with an installed capacity of seven tonnes per day (TPD) of kraft paper. Over the years, the Company expanded its production capabilities and produced 81709 MT of kraft paper and 42265 MT of writing and printing paper in FY20-21, making it a respected mid-sized paper manufacturer in North India.

## Products

Ruchira Papers manufactures and markets kraft paper as well as writing & printing paper. The Company is a prominent player in these segments in Northern India. The Company's writing & printing paper finds application in note books, writing material, wedding cards, shade cards, children's colouring books and bill books. The Company also manufactures copier paper. The Company's kraft paper is used in the packaging industry, especially in the fabrication of corrugated boxes and other packaging material.

## Facility

The Company's state-of-the-art manufacturing facility is based in Kala Amb, Himachal Pradesh, on the Chandigarh-Dehradun highway.

## Certified

The superior quality of the Company's products has been recognised and accredited with IS 14490:2018 by Bureau of Indian Standards for Plain Copier Paper, ISO 9001:2015 certification, assuring customers of a compliance with quality management norms and FSC Certification.

## Listing

The Company is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

## Awards

The Company is a respected manufacturer with a number of awards to its credit.

- Udyog Ratna Award by Himachal Pradesh in 2005
- Appreciation award from Himachal Pradesh Corrugated Box Manufactures Association in 2009
- Certificate of Excellence from INC 500 in 2013

### 1980

Went into business

### 1983

Commenced commercial production of Kraft paper with 7 TPD

### FY92-94

Installed PM-2 for manufacturing Kraft paper

### FY05-06

Crossed the turnover threshold of ₹50 Crores

### FY06-07

Made an Initial Public Offer of ₹2850 Lakhs; listed on NSE and BSE

### FY07-08

Commenced the

manufacturing of writing & printing paper;

### FY09-10

Crossed ₹200 Crores in turnover

### FY12-13

Crossed ₹300 Crores in turnover

### FY15-16

Certified for FSC by Rainforest Alliance

### FY16-17

Crossed Production of 1,00,000 MT of Kraft Paper as well as Writing & Printing Paper. Crossed ₹400 Crores in turnover

### FY19-20

Achieved highest ever production of 134048 MT for Kraft Paper as well as Writing & Printing Paper.

### FY19-20

Embarked on a ₹44 Crores modernisation & upgradation in the writing & printing paper segment; launched white copier paper.

### FY20-21

Accredited with IS 14490:2018 by Bureau of Indian Standards for Plain Copier Paper.



# OUR PRODUCT BASKET

Products comprise kraft paper and different grades of writing and printing paper.



**Raw materials** for Writing & Printing paper are wheat straw, bagasse, sarkanda and other fillers; for kraft paper, it is bagasse, wheat straw, sarkanda and waste paper (imported and indigenous as per finished product characteristics).

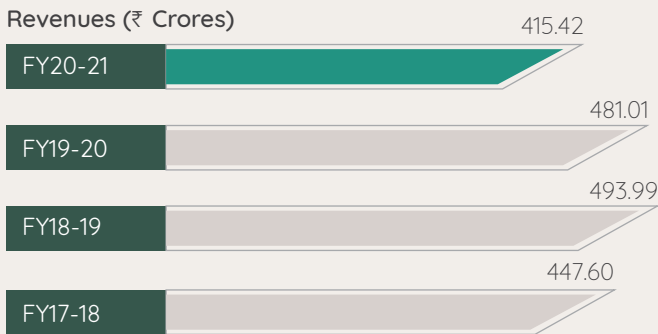
**Applications** of Writing & Printing paper (notebooks, writing material, spiral notebooks, wedding cards, shade cards, children's colouring books and bill books are driving demand for this product).

**Applications** for kraft paper (corrugated boxes/cartons and for other packaging products like textile tubes and paper core-pipes).

**Applications** for copier paper (office and stationery).



# HOW WE HAVE PERFORMED ACROSS THE YEARS



#### Definition

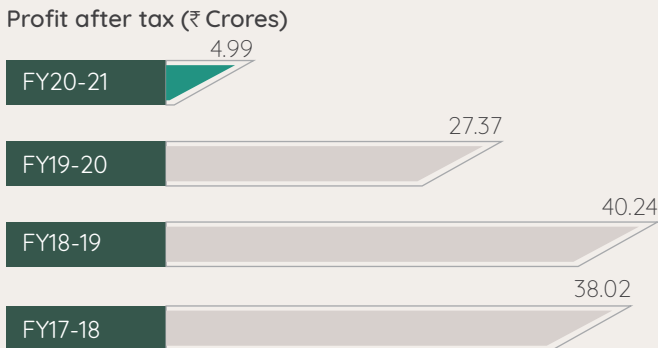
Growth in sales net of taxes.

#### Why is this measured?

It is an index that showcases the Company's ability to optimise business operating costs despite inflationary pressures, which can be easily compared with the retrospective average and sectorial peers.

#### Value impact

Aggregate sales stood at ₹415.42 Crores in FY20-21 against ₹481.01 Crores in FY19-20, a decline on account of a decrease in the production of writing and printing paper a due to the lockdown imposed by the Central government. Average net sales realisations of Writing & Printing paper declined due to market sluggishness.



#### Definition

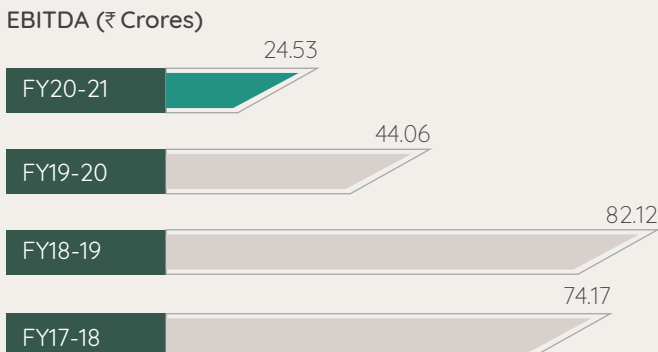
Profit earned during the year after deducting all expenses and provisions.

#### Why is this measured?

It highlights the strength in the business model in generating value for its shareholders. .

#### Value impact

The Company reported a decline in its net profit during FY20-21 as average net sales realisations declined due to adverse market conditions. Volume growth was affected due to COVID-19, which moderated net profit decline..



#### Definition

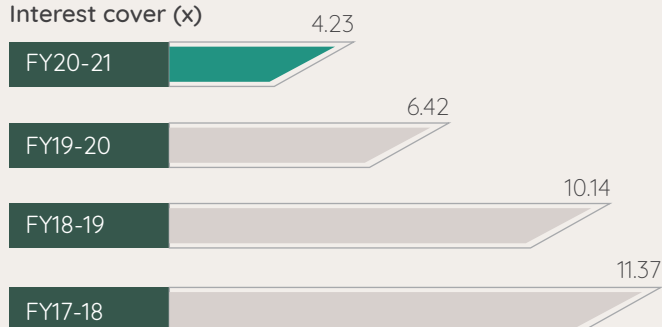
Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

#### Why is this measured?

It is an index that showcases the Company's ability to optimise costs of all kinds despite inflationary pressures.

#### Value impact

The Company's EBITDA stood at ₹24.53 Crores in FY20-21, a decline on account of lower realisations.

**Interest cover (x)****Definition**

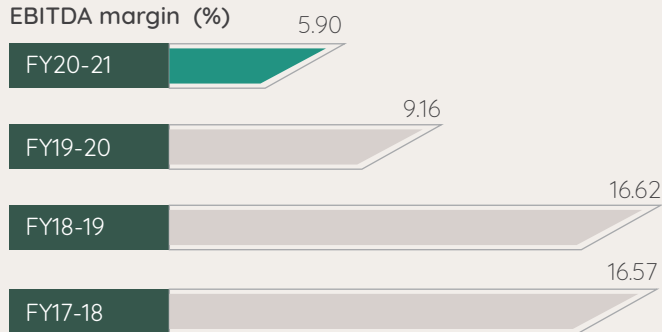
This is derived through the division of EBITDA by interest outflow.

**Why is this measured?**

Interest cover indicates the Company's comfort in servicing interest – the higher the better.

**Value impact**

The Company sustained its interest cover at an attractive 4.23x in FY20-21 despite a decline in profits.

**EBITDA margin (%)****Definition**

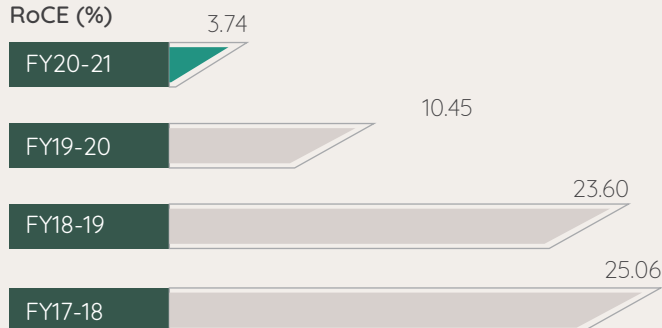
EBITDA margin is a profitability ratio used to measure a Company's pricing strategy and operating efficiency.

**Why is this measured?**

The EBITDA margin provides an idea of how much a Company earns (before accounting for interest and taxes) on each rupee of sales.

**Value impact**

The Company reported a 326 bps decrease in EBITDA margin during FY20-21 compared to FY19-20.

**RoCE (%)****Definition**

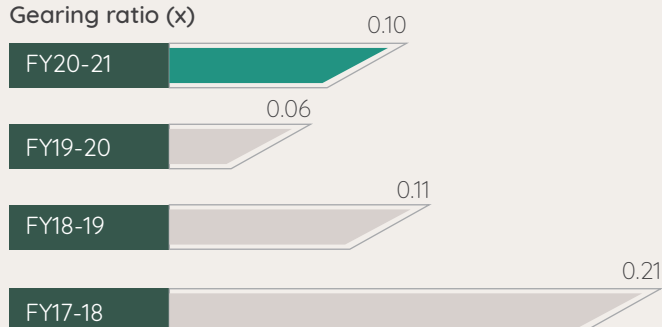
It is a financial ratio that measures a Company's profitability and the efficiency with which its capital is employed in the business.

**Why is this measured?**

RoCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

**Value impact**

The Company reported a 3.74% RoCE during FY20-21 compared to 10.45% RoCE during FY19-20.

**Gearing ratio (x)****Definition**

This is derived through the ratio of debt to net worth (less revaluation reserves).

**Why is this measured?**

This is one of the defining measures of a Company's financial health, indicating solvency.

**Value impact**

The Company's gearing stood at 0.10x in FY20-21 against 0.06 x in FY19-20. This increased marginally due to a fresh term loan taken for the implementation of modernisation and upgradation programme.

# HOW THE PAPER INDUSTRY PERFORMED IN A CHALLENGING FY20-21



Demand and realisations declined in the first quarter



Writing & printing paper demand declined; kraft paper demand improved in the second quarter



There was a preference for environment-friendly varieties through the year



There was traction for copier paper from the commercial office segment in the fourth quarter

# HOW WE PROTECTED OUR BALANCE SHEET FROM IMPAIRMENT



Ruchira froze capital expenditure and moderated costs



The Company enhanced white copier paper production and launched bleached kraft paper



The Company's low debt profile moderated interest cost



The Company optimised input costs; it developed products as per market requirements

THE MANAGEMENT'S OVERVIEW

THE MOST CHALLENGING YEAR IN  
OUR EXISTENCE BROUGHT OUT A

# SURVIVOR'S INSTINCT

IN RUCHIRA



## Overview

In the last Annual Report, we had begun our communication by referring to the fundamental nature of our Company.

A number of factors indicated that Ruchira was a company marked by a distinctive passion. This passion was validated during the year under review, easily the most challenging in our existence. During a year marked by extensive demand destruction for the products that we manufacture and market, the Company reported a negligible EBITDA loss in the first quarter followed by quarter-on-quarter improvements, culminating in the fourth quarter when our EBITDA was 313% of what we had reported in the corresponding period of the previous financial year.

This distinctive performance in the face of a challenging phase represents a validation for all that we have stood for across the last few decades.

## The power of discipline

The most important thing that we have stood for across the decades of our existence has been that of discipline. The success of Ruchira Papers has been about focusing on a few things in sync with the nature of promoters and then deepening those competencies into competitive advantages across time. We have no doubt that those competitive advantages came to the fore during

the last financial year when there was a premium on the need to remain competitive across the deep end of the market decline.

The result of this discipline is that during the challenging first quarter of the last financial year, the Company reported 44% of the revenues reported during the corresponding period of FY19-20. Yet, the Company scraped through with a modest EBITDA loss, indicating the Company's resilience in the face of market erosion.

The strength of the Company's business model was showcased in the subsequent quarters. The Company reported a positive EBITDA in every quarter thereafter even as the external environment continued to remain challenging (the continued closure of educational institutions). The Company altered its product mix, introduced a new product, sustained its quality consistency and continued to be preferred across its trade partners. The result is that

the Company reported a handsome performance during the last quarter even as one major customer segment continued to remain closed (educational institutions).

This performance validated the capacity of the Company to reboot and rebound in the face of adversity.

## Discipline in austerity

At Ruchira, we have been a relatively austere organisation. This is reflected in our manning where we deliver more through relatively few people, where we debottleneck and grow capabilities from within instead of fresh capital expenditure, where we question every practice on whether we can do it with less spending and where our corporate office inside our manufacturing facility makes it possible to save resources that could otherwise be deployed in adding to our overheads. This helped us moderate our expenditure during the challenging year.

## Discipline in debt

At Ruchira, we are almost a debt-free company in term of long-term liabilities. At the close of FY20-21, we had ₹23.89 Crores of long-term debt including a term loan of ₹12.56 Crores (against a sanctioned amount of ₹22 Crores) for its modernisation and upgradation programme, on our books corresponded by ₹415.42cr in revenues. By the fourth quarter of the last financial year when one part of our business (writing and printing) had not yet been restored to complete health, we delivered an interest cover of 4.23, which indicates liquidity and profitability.

At Ruchira, we believe that long-term competitiveness can be best derived from superior working capital hygiene. The result is that we manufacture the best paper quality given our raw material resource, we marketed to trade partners who service discerning customers and the result is a better realisation than the market average.



By the virtue of being relatively under-borrowed, we possess an adequate buffer to resist cyclical downsides better than most in a capital-intensive business.

**Discipline in working capital management**

At Ruchira, we believe that long-term competitiveness can be best derived from superior working capital hygiene. The result is that we manufacture the best paper quality given our raw material resource; we marketed to trade partners who service discerning customers and the result is a better realisation over the market average. More

than that, we secure our revenues with timely receivables: during the year under review, our receivables cycles continued to be largely protected, securing our liquidity in a challenging year.

**Discipline in extending the frontier**

At Ruchira, one of the most decisive things that we did during the last financial year was the introduction of white copier paper. The Company leveraged its existing trade network to market this new product to commercial office consumers. The launch accounted for 12.84% of revenues of the Writing and Printing unit during the year under

review and we are optimistic that this segment will continue to grow across the foreseeable future.

**Outlook**

At Ruchira, the principal message that we wish to communicate is that if this is how the Company could have performed in a challenging year – EBITDA rising to ₹16.82 Crores in the fourth quarter – then the Company enjoys an optimistic outlook that should translate into enhanced value for all stakeholders of our Company.

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**The management  
Ruchira Papers Limited**

**THE PASSIONATE RUCHIRA CULTURE**



**OUR STRATEGIC PRIORITIES**

Deep governance	Strategic direction clarity	Aspiration: Best over biggest
Hands-on technocrat management	Culture of compliances	Aggressive reinvestment
Generate more from less	Aim for outperformance	Ongoing capex mode
Explore lateral opportunities	Take no speculative positions	Operational integration

# OPERATIONAL REVIEW, FY20-21

**Q: What is the big message that the management would like to send out to shareholders, related to the performance of FY20-21?**

**A:** The big message would be that of resilience. Over the years, the Company had deepened its recall around austerity and passion. However, the Company and the sector had hardly been tested. It was only during the last financial year that the sector (and others as well) came under severe scrutiny: demand for the Company's products declined, one business was severely affected by the close of educational institutions and the result was a year-on-year revenue degrowth. In a capital-intensive business, a decline in revenues can have extensive impairment implications from which it could take years to recover. We are pleased to communicate that the Company improved its performance in every single quarter after the first quarter. The Company's performance during the last quarter was 131.51% of the fourth quarter of the previous year by revenues, indicating that the Company had rebooted and rebounded with speed.

**Q: What reasons went into this rebooting and rebound?**

**A:** The first priority of the Company was to produce as much as it could: in a capital-intensive business, we have always believed that maximised output makes it possible to amortise high fixed costs best. The result is that despite losing nearly 15 days of production to the pandemic in the first quarter, the Company achieved 99% of its kraft paper production of FY19-20 in FY20-21 at a 13.55% higher average realisation per tonne. This was achieved on account of strong industrial demand for kraft paper from the second quarter and effective resource sourcing. This segment reported around 9.50%

increase in EBITDA during the year under review.

The decline in the Company's performance was largely on account of the setback in the writing & printing paper segment. In the Writing and Printing Paper unit, we lost nearly 45 days of production due to the pandemic; output was around 82% of what had been achieved in the previous financial year; realisations were 15.42% less of what had been achieved in FY19-20. This business reported a 13.70% decline in EBITDA during the year under review, largely for reasons that were beyond the control of the Company (closure of educational institutions that affected the demand for Writing & Printing paper).

**Q: What were the various initiatives that helped the Company perform creditably despite the sectorial weakness?**

**A:** The Company continued to manufacture a high paper quality; this resulted in a traction in demand from trade partners; this helped protect trade terms; the receivables cycle marginally increased to 57 days of turnover equivalent compared with 48 days in the previous year; the Company's working capital was drawn to the extent of around 85% of its sanctioned limit. The big message: even in the most challenging phase of the Company's existence, the Company continued to protect its working capital hygiene.

The second initiative by the Company was the decision to launch new products with the objective to counter the slowdown. The result is that the Company built on its newly-launched white copier paper. The product was well received on account of its superior printability; the product proved jam-free on copier machines.

Revenues generated from this business accounted for 12.83% of the Writing and Printing Paper revenues. Besides, the Company launched bleached kraft, which is used for the manufacture of carry bags with quality equivalent to the imported grade of bleached kraft in the market.

**Q: What were the other positive features of the Company's working in FY20-21?**

**A:** The outcome of the various positive initiatives was reflected in the fourth quarter of the last financial year. The Company reported a 31.55% growth in revenues during the Q4 of FY20-21 over the immediately preceding quarter to ₹141.34 Crores; EBITDA increased to ₹16.82 Crores; EBITDA margin strengthened 690 bps to 11.90% and interest cover – one of the most effective measures of liquidity – remained steady at around 4.23 times. We believe that during a normalised year of operation, our performance will strengthen.

**Q: What is the outlook for FY21-22?**

**A:** The objective will be to match the Company's performance at pre-Covid levels, despite slower offtake during the first quarter of the current financial year. The reasons for our optimism comprise the sustained offtake of kraft paper, traction for copier paper, low debt, increased vaccination and the possibility of schools reopening by the later part of this calendar year.

The Company is attractively placed to capitalise: it will sweat its manufacturing capacity, repay its old long-term debt in three quarters and grow its unimpaired Balance Sheet from this point around maximised volume and value.



# BIG NUMBERS

Writing & Printing revenues

277.62

₹ Crores, Revenues from the writing and paper segment, **FY19-20**

194.22

₹ Crores, Revenues from the writing and paper segment, **FY20-21**

Writing & Printing sales by volume

51302

MT, Production of the writing and paper segment, **FY19-20**

42435

MT, Production of the writing and paper segment, **FY20-21**

Writing & Printing revenues per tonne

54115

₹, Revenues per tonne from the writing and paper segment, **FY19-20**

45769

₹, Revenues per tonne from the writing and paper segment, **FY20-21**

Kraft paper revenues

203.39

₹ Crores, Revenues from the kraft paper segment, **FY19-20**

221.19

₹ Crores, Revenues from the kraft paper segment, **FY20-21**

Kraft sales by volume

85909

MT, Production of the kraft paper segment, **FY19-20**

82281

MT, Production of the kraft paper segment, **FY20-21**

Kraft paper revenues per tonne

23676

₹, Revenues per tonne from the kraft paper segment, **FY19-20**

26883

₹, Revenues per tonne from the kraft paper segment, **FY20-21**

# HOW WE HAVE STRENGTHENED OUR ESG COMMITMENT

## Overview

In the business of paper manufacture, success is being increasingly influenced by the capacity of companies to strengthen their ESG commitment.

At Ruchira, we manufacture products through economically sound processes that moderate the consumption of energy and natural resources, employee-community-

product safety and environment responsibility. The Company has been aligned with United Nations' 10 principles for manufacturing responsibility and environmental sustainability.

## Strategic priority

The Company consumes renewable agro-based raw materials, reinforcing its positioning

around 'Committed to the earth'. The Company invested proactively in equipment and processes (chemical recovery system, effluent treatment plant and power cogeneration unit) to moderate its carbon footprint. The Company eliminated the use of harsh chemicals, moderated the consumption of energy and water and enhanced the use of renewable resources.

## Our environment commitment

### Agriculture waste as raw material:

The Company utilised an interchangeable mix of agricultural residues (wheat straw, bagasse, and sarkanda), which moderated raw material costs and enhanced sustainable resource sourcing.

**Effluents treatment plant:** The Company installed a state-of-the-art effluents treatment plant (with automated oxygen injection system) in its manufacturing facility, which helped provide pure oxygen through turboxal in the total area of aeration basin and maintaining a high quality of MLSS. Recently, the Company completed the upgradation of its existing effluent treatment plant. Following this investment,

the Company will engage in anaerobic and aerobic treatment to enhance water quality required for wet washing. The main feature of anaerobic treatment is the latest generation of reactors and resistance to impact load. In aerobic treatment, we will invest in imported jet aerators and liquid oxygen combination for the full-fledged system. For discoloration of treated effluents, the Company installed in Fenton system and clarification, which removes colour and COD from treated water and degrades all pollutants in the wastewater.

### Chemical recovery plant:

The Company's chemical recovery plant recycles black

liquor generated from the pulping process (recovers ~92% caustic soda used for captive consumption at a minimal cost compared to fresh caustic soda purchase).

**Captive power plant:** The Company's 8.6 MW captive power plant helps insource 100% of the power requirement for the manufacture of writing & printing paper unit. The Company replaced its 5.6 MW power turbine with a new 6.1 MW equivalent possessing better efficiency, which generated more power from the same steam; overall turbine efficiency also increased.



**Q: What was the impact of the modernisation initiative by the Company in the previous financial year?**

**A:** One of the important initiatives comprised the replacement of size press with the new film size press, replacement of the 5.6 MW turbine with a 6.1 MW equivalent. This resulted in no increase in steam consumption and upgradation of its effluent treatment plant, followed by a sharp reduction in BOD and COD content in effluents. This reinforced the Company's respect as a responsible paper manufacturer.

### Water-efficient

There is a growing focus on water efficiency in a business that consumes water more than it consumes any other natural resource. This priority comes at a time when companies in the sector are being appraised for their water management and conservation. The Company moderated water consumption: from 50.48 metre cube per tonne of writing & printing paper manufactured in 2014-15 to 36.78-metre cube per tonne in **FY20-21**; the Company moderated water consumption from 22.94 metre cube per tonne of kraft paper manufactured in **FY14-15** to 9.28 meter cube per tonne in **FY20-21**.

Year	Water consumption (metre cube) per ton of kraft paper	Water consumption (metre cube) per ton of writing/ printing paper
<b>FY15-16</b>	18.80	45.56
<b>FY16-17</b>	14.14	45.62
<b>FY17-18</b>	12.51	43.86
<b>FY18-19</b>	11.57	40.58
<b>FY19-20</b>	9.56	42.16
<b>FY20-21</b>	9.28	36.78

VALUE ENGINEERING

# RUCHIRA VALIDATED ITS ANY-MARKET COMPETITIVENESS IN A CHALLENGING FY20-21

## Overview

At Ruchira, our objective during the year under review was to best manage all variables within our control with the objective to mitigate the impact of volatility in the external environment. We believe that our focus on sweating every resource paid off handsomely as the Company reported quarter-on-quarter growth in the last financial year.

## Capital productivity

Over the years, Ruchira has generated sectorial respect for its ability to sweat the invested rupee – through debottlenecking and value-engineering. The result is that the Company is among the lowest cost paper companies in the country, having demonstrated its capacity to remain viable in the most challenging markets.

Year	Production (in MT) per Crores of capital employed (₹)
FY15-16	553
FY16-17	544
FY17-18	438
FY18-19	429
FY19-20	440
FY20-21	387

## Core commitment

The Company invested in enhancing gross block across market cycles through accruals and debt. These investments graduated the Company into one of the largest agro-based paper manufacturers in North India, strengthening its procurement

and sales economies. Capital expenditure was prudently muted during the last financial year as the Company selected to conserve resources at a time of sectorial uncertainty following the impact of the pandemic.

Year	Gross block (₹ Crores)
FY15-16	274.27
FY16-17	290.34
FY17-18	351.28
FY18-19	364.90
FY19-20	380.80
FY20-21	395.37

## Growing output

In a capital-intensive business, the Company has lived the philosophy of sweating and extending its production capabilities through low cost modifications and upgradations. This complement of de-bottlenecking / modernisation / upgradation has empowered

the Company to amortise fixed costs better, enhance procurement economies and service customer needs with timely product availability – a win-win proposition derived from (making it possible to grow operations with minimum raw material inventory).

Year	Production (tonnes)
FY15-16	99,101
FY16-17	1,16,776
FY17-18	1,15,424
FY18-19	1,28,831
FY19-20	1,34,048
FY20-21	1,23,974*

\* Production affected by the lockdown imposed by Central Government Q1 of FY20- 21.

## Product mix

The Company is responsive to changes in marketplace dynamic and emerging opportunities. During the last financial year, the Company moderated its exposure to Writing & Printing paper following the closure of educational institutions. In spite of this, the Company strengthened its product range, launching copier paper and bleached kraft paper to strengthen offtake and average realisations.

Year	Proportion of revenues from writing & printing paper (%)
FY15-16	62.35
FY16-17	62.19
FY17-18	57.83
FY18-19	61.46
FY19-20	57.72
FY20-21	46.75

## Niche value-added

The Company has over the years moved beyond commodity varieties to the value-added. For instance, the proportion of revenues from coloured paper introduced by the Company in 2011 has grown, generating a premium per kg over the prevailing writing & printing paper average. During the last financial year, the Company launched copier paper that generated higher realisations than the Writing & Printing paper average.

Year	Proportion of writing & printing paper revenues from coloured paper (%)
FY15-16	25.25
FY16-17	27.69
FY17-18	32.43
FY18-19	30.01
FY19-20	23.13
FY20-21	23.10

## Productivity

The Company has underlined its competitiveness through a prudent utilisation of automation and empowerment, reflected in enhanced per person productivity. The empowerment has been emphasised through ongoing training, multi-skilling and knowledge enhancement.

Year	Per person revenue productivity (₹)
FY15-16	37,49,546
FY16-17	41,86,317
FY17-18	44,14,201
FY18-19	49,05,561
FY19-20	45,89,828
FY20-21	41,62,532

# RUCHIRA ENHANCES INTEGRATED VALUE FOR ITS STAKEHOLDERS IN A SUSTAINABLE MANNER



## Overview

The Integrated Value-Creation Report represents the new communication format that overcomes the limitations of a conventional approach with a comprehensive framework that captures wider initiatives and addresses a larger stakeholder family.

The Integrated Reporting approach explains the sectoral context, analyses corporate strategy

and examines competitiveness leading to the reporting of different reporting strands (financial, management commentary, governance, remuneration and sustainability reporting) integrated to express an organisation's holistic ability to enhance value.

Integrated Reporting explains to providers of financial capital how an organisation enhances value. Its impact extends beyond financial stakeholders; it enhances

understanding across all stakeholders - including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers - focused on an organisation's ability to improve value across time. This shift from the 'hard' to 'soft' (non-financial data) helps screen a Company more comprehensively, addressing the growing needs of external stakeholders.

## Drivers of Ruchira's value

At Ruchira, we believe that the interplay of value that we have created for various stakeholders has translated into superior profitability.



### Stakeholder

**Our employees** represent the aggregate knowledge of how to grow the business across a range of functions (procurement, manufacturing, branding, sales and distribution, finance etc.).

### Focus

Our focus is to provide an exciting workplace, generate stable employment, and enhance productivity.



### Stakeholder

**Our shareholders** provided capital when we went into business.

### Focus

Our focus is to generate cash flows, growing RoCE and enhanced investment value.



### Stakeholder

**Our vendors** provide credible and continuous supply of all types of materials/ components

### Focus

Our focus is to maximise quality material procurement at declining average costs with the objective to widen our markets, strengthening sustainability.



### Stakeholder

**Our customers** keep us in business through a consistent purchase of products (writing & printing paper, kraft paper and copier paper), generating the financial resources to sustain our operations.

### Focus

Our focus is to provide a diversified range of products (perfect blend of style, affordability and comfort) to our customers.



### Stakeholder

**Our communities** provide the social capital (education, culture etc.).

### Focus

Our focus is to support and grow communities through consistent engagement.



### Stakeholder

**Our governments** (State and Centre) provide us with a stable structural framework that ensures law, order, policies etc.

### Focus

Our focus is to play the role of a responsible citizen.

# THE RESOURCES OF VALUE-CREATION

## NATURAL CAPITAL

Serves as the basis for the economic and social system. It provides resources that often cannot be replaced. It is essential for the functioning of the economy as a whole. Resources include water or fossil fuels, renewable natural resources such as solar energy or agricultural crops, and the capacity of the world's carbon sinks — i.e., the air, forests and oceans — to neutralise or sequester the waste generated economic activity. When it comes to determining whether natural capital is material to an organisation, relevant factors must be brought to bear. These include the level of reliance on natural resources, the environmental impact of its productive process, and what the organisation has to do to operate within the limits imposed by the environment.

## INTELLECTUAL CAPITAL

Encompasses the intangibles associated with brand and reputation that are critical to the organisation. It also includes resources such as patents, copyrights, intellectual property and organisational systems, procedures and protocols. These can provide significant competitive advantages. They can also have disadvantages, such as the negative brand equity attributed to major polluters or ill-reputed shareholders

## HUMAN CAPITAL

Refers to the skills and know-how of an organisation's professionals as well as their commitment and motivation and their ability to lead, cooperate or innovate. The success of an organisation is tied to proper management of its teams and care for their motivation and well-being. Excessive employee turnover or inadequate remuneration policies can damage reputation and impair an organisation's ability to enhance value

## FINANCIAL CAPITAL

This is the traditional yardstick of an organisation's performance. It includes funds obtained through financing or generated by means of the organisation's productivity. It's the pool of funds available to the organisation for use in the production of goods or the provision of services, including debt and equity. Financial capital interacts extensively with the other capitals. Organisations need to understand and reflect this interdependence in their integrated reports. It's important to show financial capital is converted into other forms of capital — assigning value to the latter — and explain how these other forms of capital will generate financial returns over the short, medium and long-term

## MANUFACTURED CAPITAL

This mainly comprises physical infrastructure such as buildings or technology equipment and tools. Manufactured capital may be owned by the organisation or by third parties, e.g., ports and other public infrastructure. They contribute to an organisation's productive activity. It follows that their efficient management can reduce the use of resources and drive innovation that leads to greater flexibility and sustainability

## SOCIAL AND RELATIONSHIP CAPITAL

The stock of resources created by the relationships between an organisation and all its stakeholders. These relationships include ties to the community, government relations, customers and supply chain partners. Operating licenses, dependence on the public sector or an unusual supply chain could also comprise factors



# OUR OPERATING FRAMEWORK

**Culture:** The Company possesses multi-decade sectorial and terrain experience marked by a track record of growth and innovation



**Resource security:** The Company has invested in water security, sustainable raw material procurement and 8.6 MW co-generation power plant for captive consumption.

**Intangible strengths:** The Company invested in a white copier paper brand called 'Rozaana' and coloured copier brand called 'Tarang', coupled with the intangible strength of a wide distribution network, knowledge capital and enduring relationships



**Operational edge:** The Company invested in product/process R&D coupled with a wide product basket servicing a range of customer categories

**Financial robustness:** The Company has demonstrated an inspiring legacy of sustaining margins, an under-leveraged Balance Sheet coupled with adequate liquidity to grow the business



# OUR VALUE-ENHANCING COMPETITIVENESS



**Strategic location:** The Company is located in Himachal Pradesh, a region that is connected to state and national highways, abundant resource pockets of Punjab and Haryana and large product consuming markets.



**Robust Balance Sheet:** The Company's debt-equity ratio (0.10x in FY20-21) was modest in a captive-intensive industry.



**Foresight:** The Company anticipated a raw material shift from wood towards renewable and environment friendly organic waste material, which helped moderate capital expenditure and carbon footprint.



**Workforce:** The Company is an employer of around 1000 workers and professionals possessing a rich insight into paper manufacture, marketing and related functions



**Longstanding relationships:** The Company enjoys enduring relationships with more than 80 channel partners across India, a stable platform of engagement



**Diversified product portfolio:** The Company diversified its product mix from kraft paper to writing & printing and copier paper, broadbasing its portfolio.



**Efficient working capital management:** The Company selected to work with a high working capital hygiene, marked by low receivables and inventory as a result of which the working capital limit sanctioned by the banks was partly undrawn.

# OUR FINANCIAL STRUCTURE

The backbone of the Company's value-creation framework in its financial backbone marked by the following realities:

## Low debt

The Company's long-term debt stood at ₹23.89 Crores as on 31st March 2021. This includes ₹12.56 Crores, which was availed for a modification and upgradation project; debt-equity ratio stood at 0.10x.

## Positive cash flow

The Company reported ₹19.97 Crores cash profit in FY20-21.

## Stable rating

The Company's credit rating stood at CRISIL BBB+, indicating adequate safety.

## Terms of trade

The Company maintained a working capital cycle of 95 days of turnover equivalent in FY20-21 (86 days in FY19-20).

## Cost

The average cost of working capital mobilised from banks declined from a peak of 11.86% in FY15-16 to 9.62% in FY19-20 to 9.31% in FY20-21.

## Access

The Company utilised only around 80% to 85% of its sanctioned working capital from banks in FY20-21.

## Sectorial opportunities

### Rising incomes

India's per capita was ₹1,26,000 in FY20-21 compared to ₹94,130 in FY15-16, strengthening the demand for paper products.

### Rising population

India's population was 1.39 Billion in FY20-21, adding 1% to its population each year and creating a larger market for paper.

### Favourable demographics

India has >500 Million people within the age bracket 5-24, the largest such population cluster in the world. India has >250 Million school going students, more than any country.

### Literacy rate

The Indian literacy rate is projected at 100% in 2025, compared to ~74% in 2017, strengthening paper demand.

### Economic traction

Paper demand almost doubled over the decade (17.1 Million tonnes in 2018 compared to 9.3 Million tonnes in 2008), catalysed by a growing economy.

### Education

The Union Budget FY21-22 allocated ₹93,244 Crores for the education sector, a y-o-y increase of ~3% of ₹85,010 Crores over FY18-19.

### Growth of e-commerce

India's total internet user base was pegged at 696.77 Million users in 2020 and projected to increase as a result of deeper smartphone penetration and digital initiatives, strengthening e-commerce and packaging paper demand.

(Source: Economic Times, IBEF, Live Mint, Business Standard, Statista, Business Today, Statista, niti.gov.in)

## Key enablers

### Employee focus

- The Company's employee base is around 1000 people across locations.
- The Company has adequate training facilities for recruits and existing employees.
- The Company provides an invigorating workplace marked by targets and empowerment

### Customer focus

- The Company focused on sustaining superior product quality
- The Company widened its product portfolio
- The Company invested in modernisation to enhance paper quality

### Shareholder focus

- The Company optimised costs
- The Company invested in cutting-edge technologies and debottlenecking
- The Company grew largely out of accruals without diluting its equity base

### Community focus

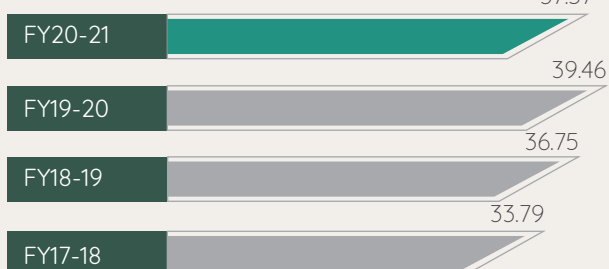
- The Company spent ₹0.97 Crores for CSR activities in FY20-21

### Government focus

- The Company paid ₹50.12 Crores in taxes in FY20-21

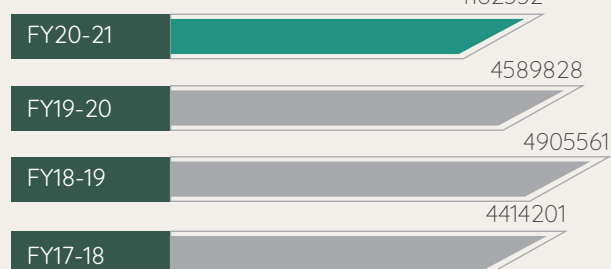
## Our value-creation in numbers

### Employee value (Salaries and wages) (₹ Crores)



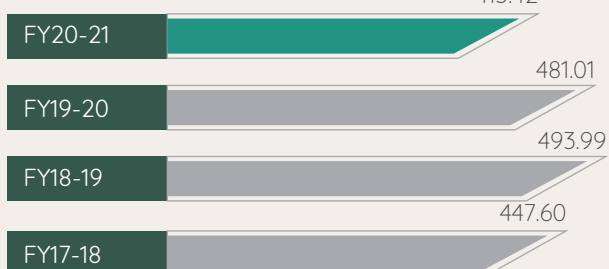
The Company has invested in growing employee remuneration, underlining its role as a responsible employer.

### Revenue per person (₹)



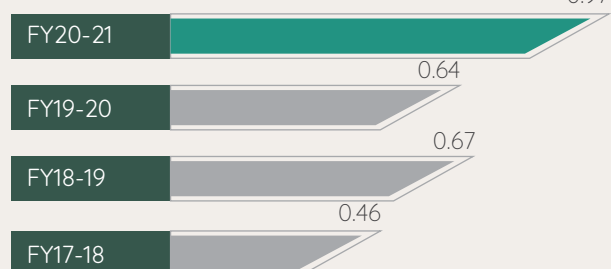
The Company's investment in its people (training, empowerment and career growth) translated into increased productivity.

### Customer value (Revenues) (₹ Crores)



The Company's revenues moderated temporarily following the pandemic impact.

### Community (CSR spending) (₹ Crores)



The Company enriched communities in the geographies of its presence through community uplift programmes.

# CORPORATE SOCIAL RESPONSIBILITY

## Overview

At Ruchira, we have been following the ideology of giving back to society since inception, much before it became mandatory for organisations to allocate a portion of its profit towards CSR initiatives.

Our role is defined by a number of priorities.

**One,** we believe in sharing our success with communities.

**Two,** our corporate social responsibility projects are aligned with national and regional priorities.

**Three,** we have extended beyond mere cheque-writing to a deeper engagement with the objective to make a lasting difference.

**Four,** we believe in making initial investments where a

moderate engagement from our side can translate into disproportionately larger societal impact.

**Five,** we focus on responsible engagement where we empower beneficiaries to assume control of their lives.

## Commitment, FY20-21

During the financial year under review, the Company spent ₹97.40 Lakhs in CSR initiatives carried out under the aegis of the Company, Ruchira Charitable Trust and Rotary Foundation, India. The Company focused on initiatives in the areas of education, health and sanitation, backward society development, rural infrastructure development, animal welfare and environmental protection, among others.

## Rural infrastructure development

- Construction of the Road and an RCC drain of the road from Village Jattanwala to Tirlokpur Road.

## Promotion of Education

- Construction of one room at the Government Senior Secondary School, Kala Amb

## Relief measures

- Contributed towards protecting against COVID-19, emphasising our status as a responsible corporate citizen

## Healthcare

- Contributed to Rotary Foundation to provide free medicines and treatment to patients.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Global economic overview

In 2020, global economic activity was affected by the pandemic, resulting in a contraction of 3.3% after a slow growth of 2.4% in 2019. G20 countries experienced an aggregate slowdown of (-) 3.2%, with the Euro area contracting by (-) 6.8%, UK by (-) 9.9%, Japan by (-) 4.8% and the US by (-) 3.5%. Among major economies, India contracted by (-) 7.3% while China was the only major economy to record a growth of 2.3% in 2020. The global economy is projected to grow by 5.5% in 2021 largely due to the successful roll-out of vaccines across the globe, coupled with policy support in large economies. (Source: IMF).

## Indian economic review

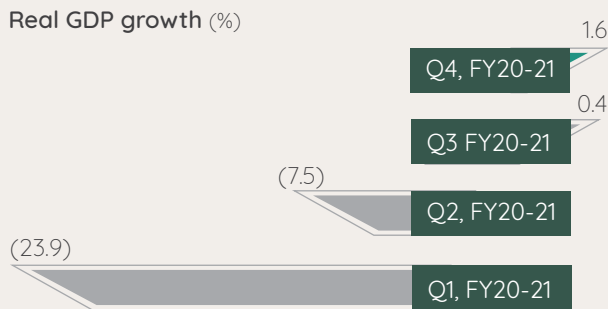
The Indian government announced a complete lockdown in public

movement and economic activity from the fourth week of March 2020. As economic activity came to a halt, the lockdown had a devastating impact on an already-slumping economy. The Indian economy de-grew 23.9% in the first quarter of FY20-21, the sharpest de-growth experienced by the country since the index was prepared. The Indian Government announced a bold economic stimulus to combat the sharp slowdown caused by the lockdown, its various measures aimed at easing liquidity and credit unavailability faced by the MSME sector to reinvigorate economic activity. Similarly, various measures targeted at incentivising investments in economic segments and labour reforms, helped improve sentiment and attract global investments, strengthening India's self-reliance for critical needs.

India's relief consumption, following the lifting of social distancing controls, translated into a full-blown economic recovery. A number of sectors in India – real estate, steel, cement, home building products and consumer durables, among others - reported unprecedented growth. India de-grew at a relatively improved 7.5% in the July-September quarter and reported 0.4% growth in the October-December quarter and a 1.6% growth in the last quarter of the year under review.

The result is that India's GDP contracted 7.3% during FY20-21, largely on account of the sharp depreciation of the first two quarters. This sharp Indian recovery – one of the most decisive among major economies – validated India's robust long-term consumption potential.

## Growth of the Indian economy, FY20-21



(Source: Economic Times, IMF, EIU, Business Standard, McKinsey)

## Outlook

As a result of the setback caused by the second wave, real GDP growth for FY21-22 may finish lower than expected before India returns to robust growth in FY22-23 with a projected 6.8% growth over FY21-22.

Despite recent developments, India's economic activity has been gathering strength with demand and supply sides staging an appreciable recovery, improved mobility and optimism due to a sustained vaccination rollout programme, growth-enhancing proposals in the Union Budget and reasonably favourable monetary conditions.

## Global pulp and paper industry overview

The paper & pulp industry is one of the large industries in the world and pegged at USD 394.25 Billion in 2020 as against USD 450.43 Billion in 2019 and expected to reach USD 679.72 Billion by 2027, growing at a CAGR of 3.45 % during the period. In 2020, the largest market share in the industry was contributed by the packaging segment as well as the food and health care sub-segment. Pulp and paper are extensively used for packaging in end-user industries such as consumer goods, hygiene, food, industrial packaging and agricultural firms. Owing to the environment- friendly aspects of paper products and increasing awareness of its benefits, the demand and use of these products are increasing in North America, accounting for the highest share in the pulp and paper market. Europe is taking huge strides for achieving a dominant position in the PPI market. Germany has established world's highest paper chemical manufacturing plant.

## Indian paper industry overview

India accounts for a 4.3% share of the global paper industry. The Indian paper industry size was estimated at ₹80,000 Crores in FY20-21 as against ₹70,000 Crores in FY19-20. India ranks 15th among paper manufacturing

nations. Imports rose at a CAGR of 11.34% in value terms from ₹3,411 Crores in 2010-11 to ₹8,972 Crores in FY19-20 in the last nine years. The per capita consumption of paper in India is 14 Kg which is low compared to the global average per capita paper consumption of 57 Kg and is estimated to enhance to 17 Kg by 2024-25. Paper consumption in India is ~15 Million tonnes per annum and expected to reach 23.5 Million tonnes per annum by 2025.

Paper is a biodegradable and eco-friendly green product. The industry planted more trees compared to its harvest and primary raw materials (wood and agro-leftovers) are 100% renewable. Indian companies utilise 46% raw material from recovered paper, 29% from agro leftovers like bagasse, straw etc., and 29% from plantation wood. The average cost of recycling of paper is ₹32 per Kg, which includes ₹20 for collecting paper trash and ₹12 as conversion cost. Comparatively, collection of plastic waste cost ranges from ₹30 to ₹36 per Kg and recycling ₹22 to ₹35 per Kg, transportation costs for each tonne of paper ₹4.5 per kilometre as against ₹6.2 per km in case of plastic.

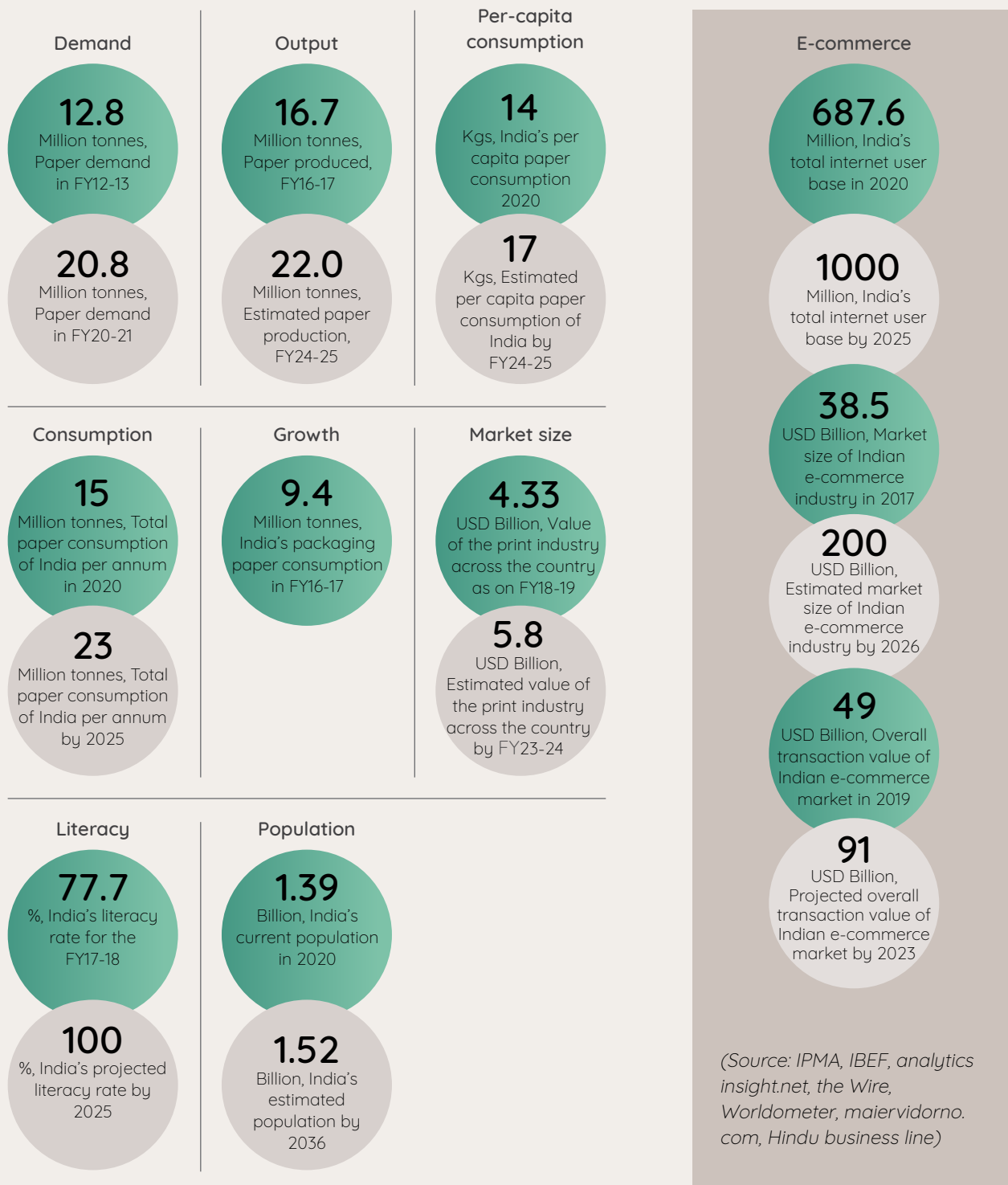
Energy consumption for paper production is 0.59 to 1.19 tonne of oil equivalent per tonne which is

quite low compared to 1.48 to 2.58 a tonne in plastic. The world's largest paper fair PAPEREX released a study that proves that paper can save 55-60% energy compared to plastics.

The Indian paper market can be divided on the basis of raw material and application. On the basis of raw materials used, the sector is sub-divided into waste and recycled paper, wood and agro residue. Due to increasing concerns regarding cutting trees to generate pulp, the waste and recycled paper segment is anticipated for a speedy growth. On the basis of application, the sector is subdivided into writing and printing paper, paper board and packaging, newsprint and specialty paper. The printing and writing segment is expected to reach 5.8 Million tonnes in FY20-21, growing at a CAGR of 4.5%. Demand for packaging paper & board segment is expected to grow at a CAGR of 8.9% to reach 11.1 Million tonnes in FY20-21. However, demand for writing and printing paper was sluggish as most educational institutions remained shut throughout the year under review due to the COVID-19 pandemic.

(Source: maiervidorno.com, printweek.in, the Hindu business line, Business standard)

## India's paper industry: an attractive opportunity





## Demand drivers for India’s paper industry

### Urbanisation

Around 35% of India’s population lives in the urban areas. It is projected to enhance to 40% by 2030.

### Demographic dividend

India enjoys the demographic advantage of being among the youngest population clusters in the world. The median age of India is 28 years, as against 38 in China and United States.

### Youth education

India’s average literacy rate stood at 77.7% in FY18 and could rise to about 100% literacy level by 2025.

### E-commerce boost

India has an internet user base of 687.6 Million in 2020. The country is projected to reach 1 Billion internet users by 2025. According to Global data, the overall transaction value of the Indian e-commerce market is projected to grow from ₹3.4 Trillion in 2019 to ₹6.3 Trillion in 2023, driving packaging paper demand.

## The Company’s overview

Incorporated in 1980, Ruchira Papers Limited is conceived by Umesh Chander Garg, Jatinder Singh and Subhash Chander Garg. The Company commenced operations with a production capability of 7 tonnes per day (TPD) of Kraft paper, which is now 400 TPD of Kraft Paper and writing and printing paper. The Company’s Kraft paper includes bearing capacity and tensile strength, which makes it the most fitting for corrugated packing application. The Company established a manufacturing plant in Kala-Amb, district Sirmour, Himachal Pradesh.

## Financial performance

### Revenues

Revenue during the year stood at ₹415.42 Crores, a decline by 13.64% compared to ₹481.01 Crores in FY19-20.

### Interest and finance costs

Net interest and finance cost declined by 5 bps during the year due superior working capital management.

### Profit after Tax

The Company reported a profit after tax of ₹4.99 Crores as compared to ₹27.37 Crores in the previous year.

## Key numbers

Particulars	FY20-21	FY19-20
Turnover (₹ in Crores)	415.42	481.01
Debt-equity ratio (x)	0.10	0.06
Return on equity (%)	2.06	10.13
Earnings per share (₹)	2.06	11.29
Current Ratio (Times)	1.58	1.68
Debtors’ turnover (days)	57	48
Inventory turnover (times)	5.64	6.09
Operating profit margins (%)	2.59	6.31
Net profit margins (%)	1.20	5.69

## Risk management

### Competition risk

Enhancement in the entry of new competitors in the market can diminish market share and profitability.

#### Mitigation

The Company has emerged as one of the major printing and Kraft paper manufacturers in North India (utilising agricultural leftovers).

### Quality risk

Demand for the Company's products might get affected owing to a deficiency in providing quality products and services to consumers.

#### Mitigation

The Company has various procedures in place to ensure these products conform to quality standards. As a result, the Company is accredited with IS 14490:2018 by Bureau of Indian Standards for plain copier paper and ISO 9001:2015, ratifying its adherence and dedication to quality excellence.

### People risk

Unavailability of qualified professionals might hamper quality.

#### Mitigation

The Company puts adequate stress on the training and development of employees, which emphasises the training and development of employees to enhance productivity.

### Environment risk

The Company's operations may lead to disruptions due to its inability to comply with environmental regulations.

#### Mitigation

The Company's investments in setting up a high-tech effluent treatment plant and chemical recovery unit for proper recycling of the black liquor produced due to the pulping process mitigate such a risk.

### Raw material risk

Inadequacy in raw materials could affect hamper operations.

#### Mitigation

The Company utilises a minimal quantity of imported softwood pulp. The Company utilises convenient resources such as bagasse (byproduct of the sugarcane industry), wheat straw, sarkanda and imported and indigenous waste paper. The Company keeps adequate stock of bagasse in readiness all over the year.

### Liquidity risk

Illiquidity could affect hamper operations.

#### Mitigation

The Company's working capital cycle stood at 95 days during FY20-21, while its debt-equity ratio stood at 0.10x.

### Internal control systems and its adequacy

The Company's internal audit system is regularly tracked and updated to ascertain safeguard of assets, proper compliance of established regulations and prompt remittance of pending issues. Reports presented by internal auditors are assessed by the audit committee on a regular basis. Audit observations are jot down and corrective actions are taken, if required. It keeps continuous sustained dialogue with statutory and internal auditors to make sure the operating efficiency of internal control systems.

### Human resources

The Company believes that the quality of the employees is the key to its success and is committed to equip them with skills, enabling them to seamlessly evolve with ongoing technological advancements. During the year, the Company organised training programmes in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and code of conduct. The Company's employee strength stood at 998as on 31st March 2021.

### Cautionary statement

The Management Discussion and Analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.



# CORPORATE INFORMATION

## **BOARD OF DIRECTORS**

(as on 31.03.2021)

### **Chairman & Whole Time Director**

Subhash Chander Garg

### **Co-Chairman & Whole Time Director**

Jatinder Singh

### **Managing Director**

Umesh Chander Garg

### **CFO & Executive Director**

Vipin Gupta

### **Independent Directors**

Dalbir Singh

Surinder Kumar Gupta

Swatantar Kumar Dewan

Avtar Singh

Suhasini Yadav

### **Company Secretary**

Vishav Sethi

### **Registered Office & Works**

Trilokpur Road, Kala Amb, Distt. Sirmaur  
Himachal Pradesh-173030

## **Statutory Auditors**

Subhash Sajal & Associates

Chartered Accountants

1766, New Christian Colony,

Near Civil Hospital, Jagadhri,

Haryana-135003

## **SENIOR EXECUTIVES**

Parveen Garg, Senior Vice-President (CSR)

Deepan Garg, VP (Technical)

Jagdeep Singh, VP (Operations)

Daljeet Singh Mandhan, VP (Commercial)

Lucky Garg, VP (Marketing)

Ruchica G Kumar, VP (Marketing)

Atul Garg, VP (Administration)

Radhika Garg, VP (Marketing-NR)

## **Bankers**

Punjab National Bank

## **Registrar & Share Transfer Agent**

Link Intime India Pvt. Ltd

Noble Height, 1st Floor, Plot No. NH-2, C-1

Block, LSC near Savitri Market, Janakpuri,

New Delhi-110058

## **Company's Website**

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

## **Corporate Identification Number**

L21012HP1980PLC004336

## DIRECTORS' REPORT

We are delighted to present report of directors on our business and operations for the year ended 31st March, 2021.

### FINANCIAL RESULTS:

The Company's financial performance for the year ended 31st March 2021 is summarized below:

(₹ In Lakhs)

S. No	Particulars	2020-21	2019-20
I	Revenue from Operations (Net of Taxes)	41542.07	48101.40
II	Other Income	124.48	153.86
III	Total Revenue (I+II)	<b>41666.55</b>	<b>48255.26</b>
IV	Expenses		
	Cost of materials consumed	28589.80	32273.88
	Changes in inventories of finished goods, work-in-progress and stock-in- trade	582.69	529.39
	Employee benefits expense	4218.86	4647.15
	Finance Cost	580.55	686.09
	Depreciation and amortization expense	1378.59	1371.99
	Other expenses :		
	i) Manufacturing Expenses	4857.07	5364.56
	ii) Selling, Distribution and Establishment expenses	840.87	880.12
	Total expenses	<b>41048.43</b>	<b>45753.18</b>
V	Profit before exceptional and extraordinary items and tax (III-IV)	<b>618.12</b>	<b>2502.08</b>
VI	Exceptional items	--	(11.53)
VII	Profits before extraordinary items and tax (V-VI)	<b>618.12</b>	<b>2513.61</b>
VIII	Extraordinary items (Net of Tax Expense)	--	--
IX	Profits Before Tax	<b>618.12</b>	<b>2513.61</b>
X	Tax Expenses		
	1) Current Tax	93.37	630.01
	2) Deferred Tax	25.27	(853.82)
XI	Net Profit for the period	<b>499.48</b>	<b>2737.42</b>
XII	Other Comprehensive income/(loss)		
	Items that will not be reclassified to profit or (loss)		
	Re-measurement of net defined benefits plans	76.55	(77.12)
	Income tax related to these items	19.27	(19.76)
	Total comprehensive income	<b>556.76</b>	<b>2680.06</b>
	Paid-up equity share capital	2425.18	2425.18
	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	24588.32	24031.55
	Earnings per equity share of ₹10/- each		
	Basic	2.06	11.29
	Diluted	2.06	11.29

## CORPORATE OVERVIEW:

The Company is engaged in the business of manufacturing of Kraft Paper and Writing & Printing Paper. The Kraft Paper is being manufactured by using waste paper and agriculture residues, such as Bagasse, wheat straw, sarkanda etc. The Writing and Printing Paper is being manufactured by using agricultural residues, such as wheat straw, Baggase, sarkanda, Softwood Pulp and other fillers. The company has made proactive investments in chemical recovery, effluent treatment and power co-generation plants on the one hand and the consumption of renewable agro-based raw material on the other. Our Tagline "committed to the earth" reflects our commitment.

## OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE AND OPERATIONS:

During the FY 21 the Company achieved total production of 123974 MT as against production of 134048 MT in FY 20. The Production of the Kraft Paper Unit was 81709 MT as against production of 82453 MT in FY 20. The production of Writing and Printing Paper was 42265 MT as against production of 51595 MT in FY 20. For FY 2021, total revenue of the Company stood at ₹41542.07 Lakh as compared to ₹48101.40 Lakhs in FY 20. EBITDA stood at ₹2452.79 Lakh in FY21 as compared to ₹4406.28 Lakh in FY20. The revenue sharing between Writing and Printing Paper & Kraft Paper was at 46.75% and 53.25% respectively. During FY 21, the revenue was decline on account of decrease in production of writing and printing paper unit due to Lockdown Imposed by Central Government. Further Average Net Sales Realizations of Writing and Printing Paper also declined due to market sluggishness. The NSR of Writing and Printing Paper declined from ₹54115/- PMT in FY 20 to ₹45769/- PMT in FY 21. Whereas the NSR of Kraft Paper increased from ₹23676/- PMT in FY 20 to ₹26883/- PMT in FY 21. The decline in the company's performance was largely on account of the setback in the writing & printing paper segment. In this segment, output was around 82% of what had been achieved in the previous financial year; realizations were 15.42% less of what had been achieved in FY20. The accelerated outbreak of Coronavirus (Covid-19) across the globe and in India, has substantially disrupted the economic activities with high uncertainty.

## INDIAN ACCOUNTING STANDARDS (IND AS):

The financial results for the year ended 31st March 2021 have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013.

## DIVIDEND:

Based on the Company's performance, The Board of Directors are pleased to recommend dividend of ₹1/- per equity share for the financial year ended 31st March 2021 (Previous year- Nil). The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

The dividend will be paid to members whose names appear in the Register of Members as on close of business hours on Tuesday, 21st September 2021; in respect of shares held in dematerialized form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) limited, as beneficial owners as on that date. The payment of such dividend will be made on or after Monday, 11th October 2021.

## TRANSFER TO RESERVES:

The Company does not propose to transfer any amount to the General Reserve out of the amount available for appropriations.

## EXPANSION:

During the year under review, no major expansion undertaken by the company. The Company has implemented its modernization and upgradation programme by modifying the existing size press with the installation of new film size press, replacement of power turbine with higher efficiency, up gradation of recovery boiler and ETP up gradation having capex of ₹44 Crore (approx.).

## CREDIT RATING:

During the year under review, the facility wise credit rating is as under:

Facilities	Rating
Long Term Bank Facilities	CRISIL BBB+/STABLE (Reaffirmed)
Short Term Bank Facilities	CRISIL A2 (Reaffirmed)

## CHANGES IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company during the financial year ended 31st March 2021. Further there have been no material changes and commitments affecting financial position of the Company from the end of financial year till the date of this report.

## SHARE CAPITAL AND LISTING OF SHARES:

During the year under review, there is no change in paid up capital of the Company. The Board of Directors of

the Company at their meeting held on 12th February 2021 has approved the issuance of 28,80,000 Share Warrants Convertible into equity shares to the Promoter and Promoters Group. The shareholders' approval has been obtained through postal ballot on dated 22nd March 2021. Thereafter the allotment of Share Warrants was completed on 5th April 2021 after obtaining required In-principle approvals from BSE and NSE. The equity shares of the Company are listed at "Bombay Stock Exchange (BSE)" and "National Stock Exchange of India (NSE)".

## DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors consists of Nine (9) Directors, out of which Four (4) are Executive Director and Five (5) are Independent Directors including One (1) Woman Director.

Mr. Umesh Chander Garg, Director retiring by rotation and being eligible, offered himself for re-appointment at the ensuing Annual General Meeting.

The term of office of Sh. Vipin Gupta as Whole Time Director shall expire on 31st October 2021. The Board of Directors on the recommendation of the Nomination and Remuneration committee and Audit Committee has recommended his re-appointment for the further period of 5 years w.e.f 01st November 2021 subject to approval of the Shareholders in the ensuing Annual General Meeting through Special Resolution.

During the period under review, Sh. Subhash Chander Garg was re-appointed as Whole Time Director, Sh. Umesh Chander Garg was re-appointed as Managing Director and Sh. Jatinder Singh was re-appointed as Whole Time Director of the Company by the members at the 40th Annual General Meeting of the Company held on 25th September 2020 to hold office for five years commencing from 01st September 2020 till 31st August 2025, with their period of office liable to determination by retirement of rotation.

Independent Directors have given declarations that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with schedules and rules issued as well as Regulation 16(1)(b) of Listing Regulations.

## ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS:

In terms of applicable provisions of the Companies Act, 2013 read with Rules framed there under and provisions of Listing Regulations and on the recommendation of

Nomination and Remuneration Committee, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director carried out on an annual basis. Accordingly, the annual performance of the Board, its committees and each director was carried out for the Financial Year 2020-21. The Independent Directors in their separate meeting held on 17th March 2021 have reviewed the performance of non-independent directors, Chairman and Board as a whole along with review of quality, quantity and timeliness of flow of information between Board and management and expressed their satisfaction over the same. Further the Board, at its meeting held on 18th June 2021 also reviewed the performance of the Board, its committees and all Individual Directors of the Company and expressed its satisfaction over the performance of the Board, its Committees and individual Directors. Furthermore Board is of the opinion that Independent directors of the company are persons of high repute, integrity & possess the relevant expertise & experience in their respective fields.

Criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/ support to management outside Board/ Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Criteria for evaluation of the Committees of the Board include mandate and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and management.

In terms of the Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel of the Company as on 31st March 2021:

1. Mr. Subhash Chander Garg - Chairman & Whole Time Director
2. Mr. Jatinder Singh - Co Chairman & Whole Time Director



3. Mr. Umesh Chander Garg- Managing Director
4. Mr. Vipin Gupta- CFO & Executive Director
5. Mr. Vishav Sethi- Company Secretary & Compliance Officer

### FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.ruchirapapers.com/investors.html>.

### PUBLIC DEPOSITS:

The Company has not accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of Balance Sheet.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Ventures or Associate Company as on 31st March 2021.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis forms an integral part of this report and gives details of the overall industry structure, economic developments, performance and state of affairs of your company, risk management systems and other material developments during the Financial Year 2020-21.

### CORPORATE GOVERNANCE:

Your Company continues to be committed to good Corporate Governance aligned with good practices. A separate report on Corporate Governance along with Auditors' Certificate on compliance with the Corporate Governance as stipulated in Regulation 34 of the Listing Regulations forms an integral part of this Annual Report.

### HUMAN RESOURCE MANAGEMENT:

Our Employees are most valuable assets of the Company. We encourage innovation, meritocracy and the pursuit of excellence. We have setup a scalable recruitment and human resources management process, which enables us to attract and retain employees. Cordial employee relations were maintained throughout the year in the Company. The directors express their appreciation for the contribution made by employees to operations of the Company during the year.

### CORPORATE SOCIAL RESPONSIBILITY:

Your Company has constituted an independent Corporate Social Responsibility Committee pursuant to section 135 of the Companies Act, 2013.

#### Company's Philosophy:

The Company's CSR philosophy is based on the belief that a successful business can develop only by creating a prosperous society around. Reaching out to deprived communities is part of the Company's vision and its CSR initiatives aim at supplementing government endeavors' to help the citizens in the vicinity to achieve better living standards and good quality of life. The Company has been engaging with civil society, public at large through dissemination of its CSR initiatives.

The Company would also undertake other need based initiatives in compliance with Schedule VII of the Act.

#### Corporate Social Responsibility Policy:

The Company has adopted a Corporate Social Responsibility Policy as required under section 135 of the Companies Act, 2013 for the activities covered under Schedule VII of the Act. The CSR Policy may be accessed on the Company's website at the link: <http://www.ruchirapapers.com/investors.html>.

The Annual Report on CSR activities is annexed herewith marked as **Annexure I**.

### RISK MANAGEMENT:

Your Directors continually evaluate the risks faced by the Company which could affect its business operations or threaten its existence. The Company takes appropriate risk containment measures and manages the same on an ongoing basis. The Company has adopted a Risk Management Policy pursuant to Section 134 of the Act.

## INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

The Directors have laid down internal financial controls to be followed by the Company 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 the completeness of the accounting records and the timely preparation of reliable financial information. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

## EMPLOYEE STOCK OPTION SCHEME:

At present, the Company is not having any Employee Stock Option Scheme.

## INSURANCE:

The assets of Company are adequately insured against loss of fire, riot, earthquake, flood etc. and other risks which are considered necessary by the Management.

## AUDITORS AND AUDITOR'S REPORT:

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, at the 38th Annual General Meeting held on 28th September 2018, M/S Subhash Sajal & Associates, Chartered Accountant (Registration No. 018178N) were re-appointed as Statutory Auditors of the Company to hold office until the conclusion of 43rd Annual General Meeting at such remuneration and out of pocket expenses, as shall be fixed by the Board of Directors of the Company. The Ministry of Corporate Affairs has vide notification dated 7th May 2018 obliterated the requirement of seeking Member's ratification at every AGM on appointment of Statutory Auditors.

## AUDITOR'S REPORT:

M/S Subhash Sajal & Associates, Chartered Accountants, Statutory Auditors of the Company have submitted Auditor's Report on the financial statement of the Company for the Financial Year ended 31st March 2021. The Report given by the Auditors on the financial statement of the Company is part of the Annual Report. The Auditor's Report for the financial year ended 31st March 2021 does not contain any qualification, reservation or adverse remark(s).

## COST-AUDITORS:

Maintenance of Cost Records as specified by Central Government under sub section (1) of section 148 of

Companies Act, 2013 is applicable to the company and accordingly such accounts and records are made and maintained by the Company.

The Board of Directors of your Company, on the recommendations made by the Audit Committee at its meeting held on 18th June 2021 has approved the re-appointment of M/s Sanjay Kumar Garg & Associates, Cost Accountants as Cost Auditors of the Company for the financial year 2021-22. The remuneration proposed to be paid to the Cost Auditor, subject to your ratification at the ensuing Annual General Meeting is ₹70,000/- (Seventy Thousand Only) excluding taxes and out of pocket expenses, if any. The appointment of the Cost Auditor has been intimated to the Central Government.

The Cost Audit report for the Financial Year 2019-20 has been filed by the Cost Auditors with the Ministry of Corporate Affairs, Government of India. Whereas Cost Audit Report for the Financial Year 2020-21 will be submitted by Cost-Auditors with Ministry of Corporate Affairs with in prescribed time.

## SECRETARIAL AUDITOR:

M/S. M. Kumar & Associates, Practicing Company Secretary had been appointed as Secretarial Auditors by the Board of Directors to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended 31st March 2021 is annexed herewith marked as **Annexure II** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark(s).

As per amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in addition to the above mentioned Secretarial Audit Report, listed company is also required to obtain an Annual Secretarial Compliance Report from a Practicing Company Secretary w.r.t the compliances of all applicable SEBI Regulations, amendments, circulars or guidelines etc. by the Company. Accordingly, the same has been obtained and filed with the concerned Stock Exchanges.

## INVESTOR EDUCATION AND PROTECTION FUND:

During the year under review, the Company has transferred an unpaid interim dividend of ₹1,02,862/- related to FY 2012-13 to the Investor Education and Protection Fund on dated 15th May 2020. Furthermore, in terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules,



2016, (as amended from time to time) shares on which dividend remains unpaid or unclaimed for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits, if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Accordingly the company has transferred 5716 equity shares to the Demat Account of IEPFA as the dividend on these shares was unpaid for the continuous period of 7 Years. These shares can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore it is in the interest of the shareholders to regularly claim the dividends declared by the Company.

## DISCLOSURES:

### CSR Committee

The CSR Committee comprises Mr. Surinder Kumar Gupta (Chairman), Mr. Umesh Chander Garg, Mr. Subhash Chander Garg, Mr. Jatinder Singh and Mr. Vipin Gupta as members.

### Audit Committee

The Audit Committee comprises Mr. Dalbir Singh (Chairman), Mr. Surinder Kumar Gupta, Mr. Avtar Singh and Mr. Jatinder Singh as members. All the recommendations made by the Audit Committee were accepted by the Board.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises Mr. Dalbir Singh (Chairman), Mr. Surinder Kumar Gupta and Mr. Avtar Singh as members.

The Company's Policy relating to appointment of Directors, payment of Managerial Remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished as **Annexure III** and forms part of this Report.

### Whistle Blower Policy/Vigil Mechanism

The Company has a Vigil Mechanism/Whistle Blower Policy under which the employees are free to report violations of applicable laws, regulations and the code to the Chairman of the Audit Committee. During the year under review, no employee(s) was denied access to the Audit Committee. Further there were no instances of fraud reported to the Audit Committee/Board. The Policy on vigil mechanism/whistle blower policy may be accessed on

Company's website at the link <http://www.ruchirapapers.com/investors.html>. The reportable matters may be disclosed to the Vigilance and Ethics Officer, who operates under the supervision of the Audit Committee.

### Meetings of the Board

Five meetings of the Board of Directors were held during the year. For further details regarding dates of Board Meetings, Committee Meetings and attendance of Directors, please refer Corporate Governance report forming part of this Annual Report. Further a separate meeting of the Independent Directors of the Company was also held on 17th March 2021, where at the prescribed items enumerated under Schedule IV to the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were discussed. The maximum gap between any two consecutive Board meetings was as per applicable provisions.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Energy conservation continues to be an area of major emphasis in your company. A statement giving details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out herewith as **Annexure IV** to this Report.

### Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March 2021 is available on Company's website at <https://www.ruchirapapers.com/financial.html>.

### Secretarial Standards of ICSI

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### No Default

The company has not defaulted in payment of interest and/or repayment of loans to any of the financial institutions and/or banks during the year under review.

## RELATED PARTY TRANSACTIONS:

All Related Party Transactions that were entered into during the year were on an arm's length basis and were in compliance with applicable provisions of the Act and the Listing Regulations. Further the Board of Directors at their meeting held on 13th August 2021, pursuant

to recommendation of Audit Committee, accorded its approval for related party transactions with Tirlokpur Boards Private Limited, for Purchase of Raw Material/ Packing Material and Sale of Finished Goods/Scrap/other by product, up to maximum aggregate value of ₹1.00 Crore (One Crore Only) each Financial Year for the period of Five Financial Years starting from 2021-22, provided that the said Contract(s)/Arrangement(s)/ Transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company, subject to approval of shareholders in the ensuing Annual General Meeting.

A statement of all Related Party Transactions is placed before the Audit Committee for its review on quarterly basis, specifying the nature, value and terms and conditions of the transactions. The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2 in **Annexure V** of Directors' Report and were at arm's length price

The details of the related party transactions as per IND AS 24 are set out in Note- 28 to the Financial Statement forming part of this report. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the Link: <http://www.ruchirapapers.com/investors.html>.

### DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULAR OF EMPLOYEES:

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (Including any statutory modification(s) or re-enactment(s) for the time being in force).

The information required pursuant to Section 197(12) read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, in respect of the Directors/employees of the Company is set out in **Annexure-VI** to this report.

### GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Details relating to particulars of Loans given, Investment made, Guarantee given and Securities provided u/s 186.
- b) Material changes and commitments after the closure of the financial year till the date of this Report, which affects the financial position of the Company.
- c) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- d) Significant or material orders passed by the Regulators or Courts of Tribunals which impact the going concern status and Company's operations in future.
- e) No fraud has been reported by the Auditors to the Audit Committee or the Board.

Your Directors further state that during the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### DIRECTORS' RESPONSIBILITY STATEMENT:

That pursuant to statement of the Directors' Responsibility on Annual Accounts of the Company referred to in clause (c) of sub-section (3) of Section 134 read with Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm:

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

f. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### APPRECIATION:

Your Directors wish to express their grateful appreciation for the cooperation and continued support received from Bankers, Financial Institutions, Government agencies, Shareholders, Vendors, Customers and Society at large. Your directors also take on record, their appreciation for

contribution and hard work of Executives, Employees and Workers.

For and on behalf of the Board

Date: 13th August 2021

Place: Kala-Amb

**Jatinder Singh**

(Chairman & Whole Time Director)

DIN- 01594919

## Annexure-I to Directors' Report

### Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2020-21

#### 1. Brief outline of Company's CSR Policy:

As a responsible business, Ruchira Papers takes pride in being socially inclined and focuses on sustained and effective Corporate Social Responsibility Projects. Today we define Corporate Social Responsibility as the way a Company balances its economic, social and environmental objectives while addressing stakeholder expectations and enhancing shareholders value. Our employees are also encouraged to volunteer their time and skills and enjoy the experience of giving back to the communities in which they work.

The Company has identified the projects in a participatory manner, in consultation with the interested communities and in consonance with Schedule VII of the Companies Act, 2013. Arising from this, the focus areas that have emerged are the Rural and Infrastructure Development, providing quality education, preventive health care, sustainable livelihood and environment sustainability. All of our projects of CSR to be carried by the Ruchira Papers Limited or through the Trust/Society in accordance with the Act and Rules.

#### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Surinder Kumar Gupta	Chairman/ Independent Director	5	5
2	Subhash Chander Garg	Member/ Whole Time Director	5	5
3	Umesh Chander Garg	Member/ Managing Director	5	5
4	Jatinder Singh	Member/ Whole Time Director	5	5
5	Vipin Gupta	Member/ Executive Director	5	5

3. Web Link: <https://www.ruchirapapers.com/investors.html>

4. 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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year: Nil

6. Average net profit of the Company as per section 135(5): ₹48.69 Crore.

7. (a) Two percent of average net profit of the company as per section 135(5): 97.39 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): 97.39 Lakhs

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	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
49,56,833/-	47,82,816/-	30th April 2021		Nil	

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.		Project duration.	Amount allocated for the project (In ₹)	Amount spent in the current financial year (In ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (In ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR registration Number
1	Construction of Road and RCC Drain of the Road from Village-Jattanwala to Tirlokpur Road	Rural Development Project	Yes	Himachal Pradesh	Sirmaur	Two Years	58,47,000	10,64,184	47,82,816	No	Ruchira Charitable Trust	CSR00003033
<b>TOTAL</b>							<b>58,47,000</b>	<b>10,64,184</b>	<b>47,82,816</b>			

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (₹).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	Expenditure/ Contribution towards Fighting COVID-19 including distribution of Face Masks, Hand sanitizers and other materials etc.	Promotion of Healthcare	Yes	Himachal Pradesh	Sirmaur	10,98,212	No	Ruchira Charitable Trust	CSR00003033
2	Construction of School Room at Govt. Senior Secondary School, Kala Amb and other activities related to promotion of education.	Promotion of Education	Yes	Himachal Pradesh	Sirmaur	12,13,056	No	Ruchira Charitable Trust	CSR00003033
3	Installation of ACs at Panchayat Bhawan of Village-Kala Amb, Distt-Sirmaur, H.P-173030	Rural Development Project	Yes	Himachal Pradesh	Sirmaur	72,401	No	Ruchira Charitable Trust	CSR00003033
4	Electricity Bill for the Street Lights installed at Rampur Jattan Road, Kala Amb.	Rural Development Project	Yes	Himachal Pradesh	Sirmaur	36,229	No	Ruchira Charitable Trust	CSR00003033
5	Expenditure/ Contribution towards Animal Welfare.	Animal Welfare	Yes	Haryana	Ambala, Teh-Naraingarh	1,60,251	Yes	NA	NA
6	Contribution towards Eradication of Polio/ Medical Mission with Rotary Foundation-INDIA	Promoting health Care	Yes	PAN India	PAN India	13,12,500	No	Rotary Foundation-India	NA
<b>TOTAL</b>						<b>38,92,649</b>			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment: Nil

(f) Total amount spent for the Financial Year: 49,56,833/-  
(8b+8c+8d+8e)

(g) Excess amount for set off: Nil

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	97,39,200
(ii)	Total amount spent for the Financial Year	49,56,833
(iii)	Excess amount for the Financial Year[(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl.No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
-----Not Applicable-----							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project – Completed / Ongoing.
-----Not Applicable-----								

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

- Date of creation or acquisition of the capital asset(s): NA
- Amount of CSR spent for creation or acquisition of capital asset: NA
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA
- details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Reasons for failure to spend two per cent of the average net profit as per section 135(5):

The Company is committed to focus on inclusive growth and improve lives by contributing towards communities around which it operates. The dedicated commitment towards inclusive growth is manifested through the Company's CSR initiatives undertaken around the manufacturing facilities during the financial year 2020-21. During the year, the Company had spent ₹49,56,833/- on various projects and transferred ₹47,82,816/- to the Unspent CSR Account, which is for an ongoing project.

Umesh Chander Garg  
Managing Director  
DIN- 01593400

Surinder Kumar Gupta  
Chairman-CSR Committee  
DIN- 01108489

## Annexure-II to Directors' Report

# FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 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,  
Ruchira Papers Limited  
Tirlokpur Road, Kala Amb  
Himachal Pradesh-173030

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st 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 Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - (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;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not Applicable to the Company during the year**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not Applicable to the Company during the year**);
  - (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the year)**

(vi) **OTHER APPLICABLE ACTS,**

- (a) Factories Act, 1948 and Rules made there under
- (b) Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and Rules made there under,
- (c) Employees' State Insurance Act, 1948, and rules made thereunder,
- (d) Payment of Wages Act, 1936, and rules made there under,
- (e) Air (Prevention & Control of Pollution ) Act, 1981
- (f) Water (Prevention & Control of Pollution ) Act, 1974
- (g) Minimum Wages Act, 1948
- (h) Payment of Bonus Act, 1965
- (i) Industrial Employment (Standing Orders) Act, 1946

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes (if any) 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 of the meeting.

All decisions of the board and committee meetings were taken with the requisite majority and recorded as part of the minutes.

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

During the year under review, the Company has passed Special Resolution through Postal Ballot for Issue, Offer and Allotment of Share Warrants Convertible into Equity Shares to Promoters and Promoter Group on Preferential Basis and complied with all the applicable provisions of the Companies Act, 2013 and SEBI Regulations. The In-Principle approval from BSE and NSE has obtained in this regard on dated 22nd March 2021. The allotment of Share Warrants was made on 5th April 2021.

Further, We report that there were no instances of:

- I. Public/Right/ debentures/ sweat equity etc.
- II. Redemption / buy back of securities.
- III. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- IV. Merger/amalgamation/reconstruction, etc.
- V. Foreign technical collaborations etc.

**For M. Kumar & Associates**  
Company Secretaries

**Manoj Kumar**  
(Proprietor)

Membership No.: 33604

CP No: 12439

Date: 15.05.2021

Place: Ghaziabad

UDIN No.:A033604C000317800

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



## ANNEXURE A

To,  
The Members,  
Ruchira Papers Limited  
Tirlokpur Road, Kala Amb  
Himachal Pradesh-173030

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

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

**For M. Kumar & Associates**  
Company Secretaries

**Manoj Kumar**  
(Proprietor)  
Membership No.: 33604  
CP No: 12439

UDIN No.: A033604C000317800

Date: 15.05.2021  
Place: Ghaziabad

## Annexure-III to Directors' Report

# Nomination and Remuneration Policy

### of Ruchira Papers Limited

## Introduction

In terms of the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 (earlier old listing agreement) the Company has formulated "Nomination and Remuneration Policy." This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company. This policy shall supersede the earlier "Nomination and Remuneration Policy" as approved by the Board of Directors on 28th May 2014.

## I. Definitions

1. "Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
2. "Board" means Board of Directors of the Company.
3. "Company" means Ruchira Papers Limited.
4. "Directors" mean Directors of the Company.
5. "Committee" means Nomination and Remuneration committee of the Company as constituted or re-constituted by the Board, from time to time.
6. "Key Managerial Personnel" means
  - i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole Time Director;
  - ii. Chief Financial Officer;
  - iii. Company Secretary; and
  - iv. Such other officer as may be prescribed.
7. "Senior Management" means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
8. "Independent Director" is as provided under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

## II. Objectives

The Key Objectives are:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
3. Formulation of criteria for evaluation of Independent Director and the Board.
4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
5. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
6. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
8. To develop a succession plan for the Board and to regularly review the plan.
9. To assist the Board in fulfilling responsibilities.
10. To implement and monitor policies and processes regarding principles of corporate governance.

## III. Constitution of Nomination and Remuneration Committee

The Board of Directors of the Company constituted the committee known as the "Nomination and Remuneration Committee" consisting of three non-executive directors out of which not less than one-half are independent directors.

The Chairman of the Committee is an Independent Director.

## IV. Policy for appointment and removal of Director, KMP and senior Management

### 1. Appointment Criteria and Qualification

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board of his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) A whole-time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However they can be appointed as Director in any Company with the permission of the Board of Directors of the Company.

### 2. Term/Tenure

#### a) Managing Director/ Whole Time Director

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### b) Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Every Independent Director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change, give a declaration that he meets the criteria of independence.

#### c) Evaluation

The Committee shall carry out evaluation of performance of every Director including Independent Director, KMP and Senior Management Personnel at regular interval (yearly). Based on the evaluation performance report of the board, it shall be determined whether to extend or continue the term of appointment of the independent Directors

#### d) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules

and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

e) **Retirement**

The Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## V. Policy for Remuneration to Directors/ KMP/ Senior Management Personnel

### 1. Remuneration to Managing Director/ Whole Time/ Executive / KMP and Senior Management Personnel

The Remuneration/ Compensation/ Commission etc. to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies

Act, 2013 and rules made there under or any other enactment for the time being in force.

### 2. Remuneration to Non –Executive/ Independent Director

The Non-Executive Independent Director may receive remuneration/ compensation/ commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

## VI. Policy Review

This policy is framed based on the provisions of the Companies Act, 2013 read with rules made there under and the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Earlier Clause 49 of the Listing Agreement).

This policy shall be reviewed by Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes in the policy shall be approved by the Board of Directors.

## Annexure-IV to Directors' Report

# Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

### A) CONSERVATION OF ENERGY

i) Energy conservation is continued to be an important thrust area for the Company and is continuously monitored. The steps taken or impact of conservation of energy were:

- The SCC pump replaced by high energy efficient pump, resulted reduction in consumption of power along with increases in flow through energy efficient pumps.
- Hot Water overflow pump replaced by high energy efficient pumps resulted reduction in consumption of power.

- Replacement of old and higher energy consuming lights with efficient LED lights.
- ii) The steps taken by the Company for utilizing alternate source of energy:

The Company is generating steam from Chemical Recovery Boiler, wherein Black Liquor Solids are fired to generate the steam and the same is confirmed as Renewable Biomass Source by Ministry of New & Renewable Energy, Govt. of India.

Total Energy Consumption per unit of production of paper for the year 2020-21 is given in table below.

#### Power and Fuel Consumption:

Particulars	2020-21	2019-20
1. Electricity		
a) Purchased		
Units (KVAH)	36363322	43343470
Total Amount (₹)	213226260	253238489
Rate per Unit (₹)	5.86	5.85
b) Own Generation		
i) Through Diesel generator		
Total Units generated	Nil	Nil
Units per litre of diesel	Nil	Nil
Cost per unit generated (₹)	Nil	Nil
ii) Through Steam Turbine		
Units	45947370	49909590
Units per Ltr. Of fuel oil/ gas	Nil	Nil
Cost / units	Nil	Nil
2. Coal (specify quality and where used)		
Quantity (ton)- Used in Boiler	38909.28	48469.20
Total Cost (₹ In Lakhs)	3551.09	4132.54
Average Rate (PMT)	9126.58	8526.10
3. Used in Boiler		
Furnace Oil :-		
Quantity (K.ltrs)	114.88	110.86
Total amount( ₹ Lakhs)	33.13	43.41
Average Rate (₹/K.ltrs)	28840	39153

Particulars	2020-21	2019-20
4. Others: Used in Boiler		
a) Rice Husk (M.T.)	39857.11	33520.53
Cost (in Lakhs)	1367.90	1477.87
b) Boiler Fuel-Misc(M.T)	8416.44	22822.93
Cost (in Lakhs)	176.90	597.14
c) Lime Stone (M.T)	312.89	402.81
Cost (In Lakhs)	4.53	6.28
<b>Total Fuel Cost (in Lakhs)(2+3+4)</b>	<b>5133.55</b>	<b>6257.24</b>

#### Consumption per Unit of Production

Particulars	2020-21	2019-20
a. Liner Kraft Paper		
Production(M.T.)	81709	82453
Electricity (in Units) per Ton of production	404	420
Furnace oil	Nil	Nil
Coal/Tonne (MT)	0.061	0.095
Others (Rice Husk)/Tonne (MT)	0.257	0.183
b. Writing & Printing Paper		
Production(M.T.)	42265	51595
Electricity (in Units) per Ton of production	1157	1135
Furnace oil/Tonne(KL)	0.003	0.002
Coal/Tonne (MT)	0.802	0.787
Others (Rice Husk)/Tonne(MT)	0.446	0.357

## B) TECHNOLOGY ABSORPTION

### Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company.	Nil
2. Benefits derived as a result of the above R&D.	Nil
3. Future plan of action.	Nil
4. Expenditure on R&D	
a) Capital	Nil
b) Recurring	Nil
c) Total	Nil
d) Total R&D expenditure as a percentage of total turnover.	Nil

### Technology absorption ,adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.	Nil
2. Benefits derived as a result of the above efforts, e.g. product improvement , cost reduction, product development, import substitution, etc.	Nil
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	Nil
(a) Technology imported.	Nil
(b) Year of import.	Nil
(c) Has technology been fully absorbed?	Nil
(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	Nil

### C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.

Total Foreign Exchange used and earned:

Particulars	(₹ in Lakhs)	
	2020-21	2019-20
Foreign Exchange earned	7.37	114.91
Foreign Exchange Used	2284.09	3832.52

## Annexure-V to Directors' Report

## Form AOC-2

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

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS LENGTH TRANSACTIONS UNDER THIRD PROVISIO THERETO.

Sl. No.	Particulars						
1	Details of Contracts or arrangements or transactions not at arm's length basis.						
	Name (s) of the related party and nature of ownership						
	Nature of Contracts/ arrangements/ transaction						
	Duration of the Contracts/ arrangements/ transactions						
	Salient terms of the Contracts or arrangements or transactions including the value if any						
	Justification for entering into such contracts or arrangements or transactions						
	Date(s) of approval by the Board						
	Amount paid as advances, if any						
	Date on which the special resolution was passed in the general meeting as required under first proviso to section 188.						
2	Details of material contracts or arrangement or transactions at arm's length basis						
	Name (s) of the related party	M/S Jasmer Pack Limited	M/S Jasmer Packers	M/S Ruchira Printing & Packaging	M/S Ruchira Packaging Products P Ltd	M/S Well Pack Industries	M/S York Cellulose Private Limited
	Nature of Relationship	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP

N.A



Sl. No.	Particulars						
	Nature of Contracts/ arrangements/ transaction	Sale of Finished Goods and Purchase of Raw Material	Sale of Finished Goods and Purchase of Raw Material	Sale of Finished Goods and Purchase of Raw Material & Packing Material	Sale of Finished Goods and Purchase of Raw Material & Packing Material	Sale of Finished Goods and Purchase of Raw Material & Packing Material	Sale of Finished Goods and Purchase of Raw Material
	Duration of the Contracts/ arrangements/ transactions	On Going subject to renewal as per contractual terms.	On Going subject to renewal as per contractual terms.	On Going subject to renewal as per contractual terms.	On Going subject to renewal as per contractual terms.	On Going subject to renewal as per contractual terms.	On Going subject to renewal as per contractual terms.
	Silent terms of the Contracts or arrangements or transactions including the value if any	Sale of Finished Goods up to ₹75.00 Crore per Annum. Purchase of Raw Material up to ₹7.50 Crore Per Annum	Sale of Finished Goods up to ₹20.00 Crore per Annum. Purchase of Raw Material up to ₹7.50 Crore Per Annum	Sale of Finished Goods up to ₹7.50 Crore per Annum. Purchase of Raw Material & Packing Material up to ₹5.00 Crore Per Annum	Sale of Finished Goods up to ₹30.00 Crore per Annum. Purchase of Raw Material & Packing Material up to ₹5.00 Crore Per Annum	Sale of Finished Goods up to ₹15.00 Crore per Annum. Purchase of Raw Material & Packing Material up to ₹5.00 Crore Per Annum	Sale of Finished Goods up to ₹1.00 Crore per Annum. Purchase of Raw Material up to ₹1.00 Crore Per Annum
	Date(s) of approval by the Board	12.02.2018	12.02.2018	12.02.2018	12.02.2018	12.02.2018	12.02.2018
	Amount paid as Advances, if any	N.A	N.A	N.A	N.A	N.A	N.A
	Date of Shareholders Resolution Passed if any.	22.03.2018	22.03.2018	22.03.2018	22.03.2018	22.03.2018	22.03.2018
3	<b>Details of material contracts or arrangement or transactions at arm's length basis</b>						
	Name (s) of the related party	Jasmer Foods Private Limited	Mrs. Parveen Garg	Mr. Deepan Garg	Mr. Daljeet Singh Mandhan	Mr. Jagdeep Singh	Mr. Lucky Garg
	Nature of Relationship	Enterprises in Which KMP holding Directorship	Relative holding office or place of profit	Relative holding office or place of profit	Relative holding office or place of profit	Relative holding office or place of profit	Relative holding office or place of profit
	Nature of Contracts/ arrangements/ transaction	Sale of finished goods and Purchase of Raw material/ Fuel	Sr. Vice President- CSR	Vice President- Technical	Vice President- Commercial	Vice President- Operations	Vice President- Marketing
	Duration of the Contracts/ arrangements/ transactions	On Going subject to renewal as per contractual terms.	Remuneration Paid	Remuneration Paid	Remuneration Paid	Remuneration Paid	Remuneration Paid
	Salient terms of the Contracts or arrangements or transactions including the value if any	Sale of finished goods up to ₹1.00 Crore per annum and Purchase of Paper/Fuel up to ₹1.00 Crore per annum	Relative holding office or place of profit at a gross monthly remuneration of ₹4.60 Lakh.	Relative holding office or place of profit at a gross monthly remuneration of ₹4.60 Lakh.	Relative holding office or place of profit at a gross monthly remuneration of ₹4.60 Lakh.	Relative holding office or place of profit at a gross monthly remuneration of ₹4.60 Lakh.	Relative holding office or place of profit at a gross monthly remuneration of ₹4.60 Lakh.

Sl. No.	Particulars						
	Date(s) of approval by the Board	12.02.2018	22.05.2017	22.05.2017	22.05.2017	22.05.2017	22.05.2017
	Amount paid as advances, if any	N.A	N.A	N.A	N.A	N.A	N.A
	Date of Shareholders Resolution Passed if any.	22.03.2018	21.09.2017	21.09.2017	21.09.2017	21.09.2017	21.09.2017
4	Details of material contracts or arrangement or transactions at arm's length basis						
	Name (s) of the related party	Mr. Atul Garg	Mrs. Ruchica G Kumar	Ms. Radhika Garg			
	Nature of Relationship	Relative holding office or place of profit	Relative holding office or place of profit	Relative holding office or place of profit			
	Nature of Contracts/arrangements/transaction	Vice President-Administration	Vice President-Marketing	Vice President-Marketing-NR			
	Duration of the Contracts/arrangements/transactions	Remuneration Paid	Remuneration Paid	Remuneration Paid			
	Salient terms of the Contracts or arrangements or transactions including the value if any	Relative holding office or place of profit at a gross monthly remuneration of ₹4.60 Lakh.	Relative holding office or place of profit at a gross monthly remuneration of ₹4.60 Lakh.	Relative holding office or place of profit at a gross monthly remuneration of ₹4.60 Lakh.			
	Date(s) of approval by the Board	22.05.2017	22.05.2017	22.05.2017			
	Amount paid as advances, if any	N.A	N.A	N.A			
	Date of Shareholders Resolution Passed if any.	21.09.2017	21.09.2017	21.09.2017			

## Annexure-VI to Directors' Report

Information required under Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year	<b>S. No</b>	<b>Name of Director(s)</b>	<b>Ratio of Remuneration of Each Director to the Median Remuneration</b>	
		01.	Subhash Chander Garg	123.67	
		02.	Jatinder Singh	123.67	
		03.	Umesh Chander Garg	123.67	
		04.	Vipin Gupta	30.37	
		05.	Dalbir Singh	0.64	
		06.	Surinder Kumar Gupta	0.64	
		07.	Swantantar Kumar Dewan	0.64	
		08.	Avtar Singh	0.64	
		09.	Smt. Suhasini Yadav	0.64	
ii	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.	<b>S. No</b>	<b>Name of KMP</b>	<b>Designation</b>	<b>Increase (in %)</b>
		01.	Subhash Chander Garg	Whole Time Director	Nil
		02.	Jatinder Singh	Whole Time Director	Nil
		03.	Umesh Chander Garg	Managing Director	Nil
		04.	Vipin Gupta	CFO & Executive Director	2.08
		05.	Dalbir Singh	Independent Director	20
		06.	Surinder Kumar Gupta	Independent Director	20
		07.	Swantantar Kumar Dewan	Independent Director	20
		08.	Avtar Singh	Independent Director	20
		09.	Smt. Suhasini Yadav	Independent Director	20
10.	Vishav Sethi	Company Secretary	Nil		
iii	Percentage increase in the median remuneration of employees in the financial year.	1.89%			
iv	Number of permanent employees on the rolls of the Company as on 31st March 2021.	998 Employees			
v	Average percentile increase 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	Average increase in remuneration of Managerial Personnel- Nil Average Increase in remuneration of employees other than the Managerial Personnel: Nil			

vi	Key Parameters for any variable component of remuneration availed by the directors	The key parameters for the variable components of remuneration to the Directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Nomination and Remuneration Policy. At present there are no variable components of remuneration of directors.
vii	Affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company, formulated pursuant to the provisions of section 178 of the Companies Act, 2013.

## Notes:

- The Remuneration of Independent Directors is sitting fees paid to them for the financial year 2020-21.
- Median remuneration of the company for all its employees is ₹186300.00 for the F.Y 2020-21.
- The median remuneration of those employees has been taken who has worked for the whole F.Y 2020-21.

Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- List of Top Ten Employees of the Company in terms of remuneration drawn during the F.Y 2020-21 other than Directors.

S. No	Name	Designation & Nature of Employment	Date of Commencement of Employment	Education	Age. (Yrs)	Experience (Yrs)	%age of Equity Shares	Remuneration Paid (₹) p.a.	Previous Employment & Designation	Whether Relative of Director or not.
1	Mrs. Parveen Garg	Sr. Vice President-CSR	01/04/2013	Graduation,	74	28	2.99	55,20,000	Nil	Related to Mr. Subhash Chander Garg
2	Deepan Garg	VP-Technical	01/10/2008	B.Tech	46	22	3.08	55,20,000	Nil	Related to Mr. Umesh Chander Garg
3	Lucky Garg	VP-Marketing	01/10/2008	Master of Business Administration	42	18	2.25	55,20,000	Nil	Related to Mr. Umesh Chander Garg
4	Atul Garg	VP-Administration	01/09/2012	Master of Business Administration	45	21	2.40	55,20,000	Nil	Related to Mr. Umesh Chander Garg
5	Jagdeep Singh	VP-Operations	01/10/2008	B.Tech	36	13	1.56	55,20,000	Nil	Related to Mr. Jatinder Singh
6	Daljeet Singh Mandhan	VP-Commercial	01/10/2008	Post Graduation	34	12	1.65	55,20,000	Nil	Related to Mr. Jatinder Singh
7	Mrs. Radhika Garg	VP-Marketing (NR)	01/04/2013	Bechelor in Law, Post Graduation	40	15	3.03	55,20,000	Nil	Related to Mr. Subhash Chander Garg
8	Mrs. Ruchica G Kumar	VP-Marketing	01/07/2016	Post Graduation	50	21	2.86	55,20,000	G. M (Global electronics (P) Limited)	Related to Mr. Subhash Chander Garg

S. No	Name	Designation & Nature of Employment	Date of Commencement of Employment	Education	Age. (Yrs)	Experience (Yrs)	%age of Equity Shares	Remuneration Paid (₹) p.a.	Previous Employment & Designation	Whether Relative of Director or not.
9.	Ajay Mahajan	Head-Projects	22/01/2018	B.Tech	49	27	0.00	50,92,200	GM-Project- Bilt-Balharshas (Pune)	Nil
10	Sethu Raman Balu	Sr. General Manager	06/02/2014	NCTVT	61	41	0.00	42,29,700	Head-Operations Dhanlaxmi Paper Mills Private Limited	Nil

2. List of Employees of the Company (other than directors) employed throughout the F.Y 2020-21 and were paid remuneration not less than Rupees ₹ One Crore and Two Lakhs per annum: Nil
3. Employees employed for the part of the year (other than Directors) and were paid remuneration during the F.Y 2020-21 at a rate which in aggregate was not less than ₹8.50 Lakh Per Month: Nil
4. None of the employee was in receipt of remuneration in excess of that drawn by the Managing Director.

# Report on Corporate Governance

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is essentially a system by which Companies are governed and controlled by the management under the direction and supervision of the Board in the best interest of all stakeholders. It is not mere compliance of laws, rules and regulations, but also the application of best management practices and adherence to the highest ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility. Above all, it is a way of life, rather than merely a legal compulsion.

Your Company's philosophy on the Code of Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to last. Good Corporate Governance is indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection. Your Company lays great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business.

The Company has adopted a Code of Conduct for its employees including the Managing Director and Whole Time Directors. The Board of Directors is at the core of our Corporate Governance practice and oversees how the management serves and protects long-term interest of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance. It is well recognized that an effective Board is a pre-requisite for strong and effective corporate governance. Our Board exercises its fiduciary responsibilities in widest sense of the term.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

## 1. BOARD OF DIRECTORS

In terms of Company's Corporate Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of supervision, control and direction.

### A. Size & Composition of Board of Directors:

The Board has an optimum combination of Executive and Non-Executive Directors. More than 50% of the Directors are Non-Executive Independent Directors. The Company has Three Whole Time Directors and one Managing Director to look after finance, projects, commercial, technical and personnel affairs of the Company. The total number of Directors of the Company is 9 (Nine) as on 31st March, 2021 consisting of 4 Executive Directors and 5 Independent Directors. None of the Independent Directors is responsible for the day to day affairs of the Company. The Board periodically evaluates need for change in its composition and size.

Detailed profile of the Directors is available on the Company's website <http://www.ruchirapapers.com/investors.html>.

As per the disclosure received from the Directors, the Board hereby confirms that none of the Directors hold office in more than 20 companies and in more than 10 public companies as prescribed under Section 165(1) of the Act. No Director holds Directorships in any other listed companies. Further, none of the Independent Directors ('ID') served as ID in more than 7 listed companies. The Managing Director did not serve as an Independent Director in any listed company.

None of the Directors on the Board is Member of more than ten committees or Chairman of more than five Committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on 31st March 2021 have been made by the Directors.

The Composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

**Evaluation of Board Effectiveness:** In terms of applicable provisions of the Companies Act, 2013 read with Rules framed there under and provisions of Listing Regulations

and on the recommendation of Nomination and Remuneration Committee, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director carried out on an annual basis. Accordingly, the annual performance of the Board, its committees and each Director was carried out for the Financial Year 2020-21.

Criteria for evaluation of individual Directors includes aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/ support to management outside Board/ Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Criteria for evaluation of the Committees of the Board include mandate and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and management.

**Familiarization programmes for Board Members:** The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them

to familiarize with the Company's procedures and practices. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.ruchirapapers.com/investors.html>.

**Meetings of Independent Directors:** One separate meeting of Independent Directors was held during the year on 17th March 2021 without the attendance of Non-Independent Directors. All the Independent Directors were present at the meeting.

**Skills, Expertise and Competencies of the Board:**

Pursuant to provisions in sub-para 2(h) of Part C of Schedule V of the Listing Regulations, given below is the list of core skills, expertise/competencies that the Company's Board has identified as particularly valuable to the effective oversight and functioning of the Company:

- **Leadership Experience & Business Dynamics:** Leadership experience in managing companies, understanding of business dynamics, across various markets, industry experience including its entire value chain and regulatory jurisdictions.
- **Strategy and Planning:** Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments. Experience in Human Resources and Communication.
- **Corporate Governance:** Experience in developing good governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

A chart or matrix setting out the skills/expertise/competence of the Directors is given below:

Area of Expertise	Leadership Experience & Business Dynamics	Strategy and Planning	Corporate Governance	Technical Knowledge
Availability of Expertise with the Board				
Subhash Chander Garg	✓	✓	✓	✓
Umesh Chander Garg	✓	✓	✓	✓
Jatinder Singh	✓	✓	✓	✓
Vipin Gupta	✓	✓	✓	✓
Dalbir Singh	✓	✓	✓	✓
Surinder Kumar Gupta	✓	✓	✓	✓
Avtar Singh	✓	✓	✓	✓
Swatantar Kumar Dewan	✓	✓	✓	✓
Ms. Suhasini Yadav	✓	✓	✓	✓

**Confirmation as regards to independence of Independent Directors:**

In the opinion of the Board of Directors of the Company, the existing Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are Independent of the Management. Further, the Independent Directors have affirmed their registration on the Independent Director's database as notified by the Ministry of Corporate Affairs.

Reasons for resignation of Independent Director before the expiry of term, if any: Not Applicable

**B. Board Meetings:**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review financial performance of the Company.

The notice of each Board Meeting is given in writing to every Director. The Agenda along with relevant notes and other material information are sent in advance separately to each Director. This ensures timely and informed decisions by the Board. The Minutes of Board Meetings are also circulated well in time to all Directors and confirmed at subsequent Meeting. The Board reviews the performance of the Company vis-à-vis budgets/targets. Every director on the Board/Committee is free to suggest any item for inclusion in the agenda for the consideration of the Board/Committee. The information as required under Regulation 17 and Part A of schedule II of the SEBI (LODR) Regulations, 2015 and Combined Code of Corporate Governance and Conduct are made available to the members of the Board/Committee.

Five Board Meetings were held during the year on the dates specified below and gap of two Board Meetings did not exceed 120 days.

Date of Board Meeting	Board Strength	No. of Directors Present
30th May 2020	09(Nine)	09(Nine)
29th June 2020	09(Nine)	09(Nine)
25th August 2020	09(Nine)	09(Nine)
10th November 2020	09(Nine)	09(Nine)
12th February 2021	09(Nine)	09(Nine)

**C. Attendance record of Directors at Board Meetings and Annual General Meeting and number of other Directorships\*/Committee Memberships\*\*/ Chairmanships\*\* thereof during the Financial Year.**

Name of Directors	Category of Directors#	Attendance in Board meetings during the F.Y 2020-21		Attendance at Last AGM	No. of Directorship held in Public Ltd Companies (Including this Company)*	Chairmanship(s) and Memberships of Committee (Including this Company)**		Relationship Inter-se Directors
		Held	Attended			Member	Chairman	
Subhash Chander Garg DIN 01593104	Chairman & Whole Time Director Executive & Promoter	5	5	Yes	1	1	Nil	Related to Umesh Chander Garg
Jatinder Singh DIN 01594919	Co-Chairman & Whole Time Director Executive & Promoter	5	5	Yes	1	2	Nil	-
Umesh Chander Garg DIN 01593400	Managing Director Executive & Promoter	5	5	Yes	1	Nil	Nil	Related to Subhash Chander Garg



Name of Directors	Category of Directors#	Attendance in Board meetings during the F.Y 2020-21		Attendance at Last AGM	No. of Directorship held in Public Ltd Companies (Including this Company)*	Chairmanship(s) and Memberships of Committee (Including this Company)**		Relationship Inter-se Directors
		Held	Attended			Member	Chairman	
Vipin Gupta DIN 05107366	CFO & Executive Director Executive & Professional	5	5	Yes	1	Nil	Nil	-
Dalbir Singh DIN 01538540	Non- Executive Independent	5	5	Yes	1	1	1	-
Surinder Kumar Gupta DIN 01108489	Non- Executive Independent	5	5	Yes	1	1	Nil	-
Avtar Singh DIN 01605978	Non- Executive Independent	5	5	No	1	1	Nil	-
Swatantar Kumar Dewan DIN 00427404	Non- Executive Independent	5	5	Yes	1	1	1	-
Mrs. Suhasini Yadav DIN 06925910	Non- Executive Independent	5	5	Yes	1	Nil	Nil	-

#as at 31st March 2021.

\* Excludes directorship in Private Companies, Foreign Companies, Dormant Companies, Companies Incorporated under Section 8 of the Companies Act, 2013 and Alternate Directorship.

\*\* For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of Public Companies have been considered.

## 2. COMMITTEES OF THE BOARD

### A. AUDIT COMMITTEE:

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Members of the Audit Committee possess financial/accounting expertise/exposure. The Primary objective of Committee is to monitor and provide effective supervision of Management's financial reporting process to ensure accurate and timely disclosures, with highest level of transparency, integrity and quality of financial reporting. All possible measures have been taken by Committee to ensure the independence and objectivity of the independent auditors. The Audit Committee invites such of the executives, as it considers appropriate, representatives of Statutory Auditors and representatives of the Internal Auditors to be present at its meetings. The Company Secretary acts as the secretary to the Audit Committee. The composition of the Audit Committee as on 31st March, 2021 is as follows:

Sr. No.	Names of Members	Designation	Category of Director	Audit Committee Meetings	
				Held	Attended
1	Dalbir Singh	Chairman	Independent, Non-Executive	5	5
2	Surinder Kumar Gupta	Member	Independent, Non-Executive	5	5
3	Avtar Singh	Member	Independent, Non-Executive	5	5
4	Jatinder Singh	Member	Non-Independent, Executive	5	5

Keeping in view the provisions of section 177 of the Companies Act, 2013 and matters specified under Regulation 18 of the Listing Regulations, terms of reference, inter alia, includes the following:

- (a) To recommend the appointment/re-appointment of the statutory auditors, internal auditors, secretarial auditors and cost auditors and to review their performance.
- (b) To review reports of the internal auditors and decide about the scope of work.
- (c) To review the financial statements and to seek clarifications etc. from the Statutory/ Internal Auditors.
- (d) To review the adequacy of internal control system.
- (e) To review with the management the annual/half-yearly/quarterly financial statement.
- (f) To review the transactions entered with related parties.
- (g) Perform other activities consistent with the Company's Memorandum and Articles, the Companies Act, 2013 and other Governing Laws and referred by the Board of Directors.
- (h) Generally, all items listed in Part C of Schedule II to the Listing Regulations and in Section 177 of the Act and any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee met five times during the year on 30th May 2020, 29th June 2020, 25th August 2020, 10th November 2020 and 12th February 2021. The Chairman of the Audit Committee was present at the previous AGM held on 25th September 2020. The Audit Committee has been given the powers prescribed under Regulation 18(2) (c) of the Listing Regulations.

The Composition of committee is as follows:

Sr. No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	Dalbir Singh	Chairman	Independent, Non-Executive	02	02
2	Surinder Kumar Gupta	Member	Independent, Non-Executive	02	02
3	Avtar Singh	Member	Independent, Non-Executive	02	02

The Nomination & Remuneration Committee met two times on 30th May 2020 and 25th August 2020. The Chairman of the Nomination and Remuneration Committee was present at the previous AGM held on 25th September 2020.

Remuneration Policy: The Nomination and Remuneration Committee has adopted a charter which, inter alia, deals with the manner of selection of Board of Directors and

## B. NOMINATION & REMUNERATION COMMITTEE:

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 & Regulation 19 of the Listing Regulations.

Terms of reference inter alia includes the following:

- (a) To Recommend the Board the set up and composition of the Board and its Committees including the formulation of the criteria for determining qualifications, suitable experience, positive attributes and independence of a Director.
- (b) To nominate the appointment of director, recommend/review the remuneration package of Executive Directors and their relatives based on performance and keeping in view applicable provisions of the Companies Act, 2013.
- (c) To formulate the criteria for evaluation of Independent Directors and the Board as a whole.
- (d) To devise a policy on Board diversity.
- (e) To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
- (f) To determine whether to extend or continue the term of appointment of the Independent Director(s), on the basis of performance evaluation report related to them.
- (g) To perform such other functions as may be necessary or appropriate for the performance of its duties that the Board may decide from time to time.

their remuneration. The detailed policy in this regard can be accessed at <http://www.ruchirapapers.com/investors.html>.

### Non-Executive/Independent Directors' remuneration:

The Non-Executive Directors were paid sitting fees for each meeting of the Board of Directors attended by them of such sum as approved by the Board of Directors with

in the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. As at 31st March 2021 the Company was paying sitting fees of ₹20,000/- per meeting to Non-Executive Directors. Other than sitting fees, no other remuneration has paid to Non-Executive Directors for the year 2020-21. The Non-Executive Independent Director's do not have any material pecuniary relationship or transaction with the Company.

#### Executive Directors' Remuneration:

The appointment and payment of remuneration to Executive Directors including Managing and Whole Time

Directors is governed by recommendation of Nomination & Remuneration Committee. The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. All the components of remuneration of directors are fixed, there is no variable component. i.e performance linked incentives etc.

Presently Company does not have a scheme for grant of stock options or performance linked incentives for its directors.

The details of Remuneration of directors for the financial year ended 31st March, 2021 are as follows:

Name	Category of Directors (As at 31st March 2021)	Salary including allowances (₹)	Sitting fees (₹)	Total (₹)
Subhash Chander Garg	Chairman & Whole Time Director Executive & Promoter	2,30,40,000	-	2,30,40,000
Jatinder Singh	Co-Chairman & Whole Time Director Executive & Promoter	2,30,40,000	-	2,30,40,000
Umesh Chander Garg	Managing Director Executive & Promoter	2,30,40,000	-	2,30,40,000
Vipin Gupta	CFO & Executive Director Executive & Professional	56,58,000	-	56,58,000
Dalbir Singh	Non-Executive Independent	-	1,20,000	1,20,000
Surinder Kumar Gupta	Non-Executive Independent	-	1,20,000	1,20,000
Avtar Singh	Non-Executive Independent	-	1,20,000	1,20,000
Swatantar Kumar Dewan	Non-Executive Independent	-	1,20,000	1,20,000
Mrs. Suhasini Yadav	Non-Executive Independent	-	1,20,000	1,20,000

#### Review of Performance and Compensation to Senior Management:

The Nomination and Remuneration Committee reviews the performance of the senior management of the Company. The Committee ensures that the remuneration to the Key Managerial Personnel and Senior Management involves balanced fixed pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

#### Service Contracts, Notice Period and Severance Fees:

The employment of Managing Director/Whole Time Directors shall terminate automatically in the event of his ceasing to be a Director of the Company in the General Meeting and/or in the event of his resignation as a Director of the Company and subsequent resignation by the Board and no severance fees is payable to the Managing Director. Notice period shall be as per the appointment letter/contract entered at the time of joining.

#### C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee oversees redressal of shareholders and investors grievances, like transfer of shares, non-receipt of Annual Report, dividends and approves transmission, issue of duplicate shares and other related matters.

The Secretarial Department of the Company and Registrar & Share Transfer Agent i.e Link Intime India Private Limited attends all grievances of the shareholders directly or through SEBI (SCORE), Stock Exchange etc. Further continuous efforts are made to ensure that grievances are expeditiously redressed to the complete satisfaction of the investors.

The Committee's constitution and terms of reference are in compliance with provisions of Section 178 of the Companies Act, 2013 & Regulation 20 of the Listing Regulations.

Terms of reference inter alia includes the following:

- (a) Oversee the performance of the Company's Registrar and Share Transfer Agent.
- (b) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicated certificates, general meetings etc.
- (c) Review of measures taken for effective exercise of voting rights by shareholders.
- (d) Review of the various measures and initiative taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- (e) To perform such other functions as may be necessary or appropriate for the performance of its duties that the Board may decide from time to time.

The Composition of committee is as follows:

Sr. No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	Swatantar Kumar Dewan	Chairman	Independent, Non-Executive	04	04
2	Jatinder Singh	Member	Non-Independent, Executive	04	04
3	Subhash Chander Garg	Member	Non-Independent, Executive	04	04

The Company Secretary acts as the Secretary and Compliance Officer of the Committee.

The Committee met four times during the year on 30th May 2020, 25th August 2020, 10th November 2020 and 12th February 2021.

Number of Complaints received during the year: 9(Nine).

Number of Complaints resolved during the year: 8(Eight)

Number of Complaints pending at the close of the year: 1(One)

There was no complaint pending at beginning of the year.

#### D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating, monitoring and implementation of "Corporate Social Responsibility Policy". The other responsibilities include the recommendation of amount of expenditure to be incurred on CSR activities, monitoring the

implementation of framework of the CSR policy and other like matters.

Terms of Reference of the Committee, inter alia, includes the following:

- (a) To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with the provisions of the Companies, Act, 2013 and rules made there under.
- (b) To recommend the amount of expenditure to be incurred on the CSR activities.
- (c) To monitor the implementation of the CSR policy of the Company from time to time.
- (d) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

The Composition of committee is as follows:

Sr. No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	Surinder Kumar Gupta	Chairman	Independent, Non-Executive	05	05
2	Jatinder Singh	Member	Non-Independent, Executive	05	05
3	Subhash Chander Garg	Member	Non-Independent, Executive	05	05
4.	Umesh Chander Garg	Member	Non-Independent, Executive	05	05
5.	Vipin Gupta	Member	Non-Independent, Executive	05	05

The Committee met five times during the year on 30th May 2020, 29th June 2020, 25th August 2020, 10th November 2020 and 12th February 2021. The details of the CSR initiatives of the Company forms part of the CSR section in the Annual Report.

## E. ALLOTMENT COMMITTEE

The Allotment Committee has been constituted to specifically look into the allotment of Securities as and when required within the limits approved by the Shareholders etc. The Composition of the Allotment Committee is as follows:

Sr. No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	Avtar Singh	Chairman	Independent Non-Executive	01	01
2	Jatinder Singh	Member	Non-Independent Executive	01	01
3	Vipin Gupta	Member	Non-Independent Executive	01	01
4	Mrs. Suhasini Yadav	Member	Independent Non-Executive	01	01

The Company Secretary acts as the Secretary of the Committee.

The Committee met one time during the year on 20th February 2021.

## F. PROJECT COMMITTEE

The Project Committee has been constituted specifically to look in to the project related activities for the proposed Green Field Project at Chamkaur Sahib, Punjab.

The composition of committee is as follows:

Sr. No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	Umesh Chander Garg	Chairman	Non-Independent, Executive	Nil	Nil
2	Jatinder Singh	Member	Non-Independent. Executive	Nil	Nil
3	Deepan Garg	Member	Vice President-Technical	Nil	Nil
4	Jagdeep Singh	Member	Vice President-Operations	Nil	Nil

## 3. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings of the Company are given hereunder:

Year	Date	Time	Venue	No. of Special Resolution(s) set out at the AGM
2018	28.09.2018	11.15 A.M	Hotel Black Mango, Nahan Road, Kala-Amb, Distt. Sirmour.(H.P.)-173030	02
2019	25.09.2019	11.15 AM	Hotel Black Mango, Nahan Road, Kala-Amb, Distt. Sirmour.(H.P.)-173030	06
2020	25.09.2020	12.00 PM	The Meeting was conducted through Video Conferencing (VC)/Other Audio Visual Means(OAVM)	04

No Extraordinary General Meeting of the Members was held during the year 2020-21.

1 (One) Special Resolution was passed by way of postal ballot during the year 2020-21 on 22nd March 2021 and no Special Resolution is proposed to be passed through Postal Ballot at the ensuring Annual general Meeting.

S. No	Particular	Date of Passing Resolution	Number of Valid Votes polled	Votes cast in favour of the resolution	Votes cast against the resolution
01.	Special Resolution for issuance of 28,80,000 Share Warrants convertible into equity shares to promoters and promoter group on preferential basis.	22.03.2021	15882839	15875037 (99.95%)	7802 (0.05%)

The Board had appointed M/S Sanjay Kumar Garg & Co, Cost Accountants as Scrutinizer to conduct the Postal Ballot process in a transparent manner.

#### 4. MEANS OF COMMUNICATION:

- i) The quarterly and the half yearly results, published in the format prescribed by the Listing Regulations read with the Circular issued there under, are approved and taken on record by the Board of Directors of the Company within stipulated period after the close of the relevant quarter. The approved results are forthwith uploaded on the designated portals of the Stock Exchanges where the Company's shares are listed, viz. NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Ltd. (NSE) and BSE Online Portal of BSE Ltd. (BSE). The results are also published within 48 hours in Financial Express (English) and Jansatta (Hindi) and also displayed on the Company's website, www.ruchirapers.com.
- ii) The Company publishes the audited annual results within the stipulated period after the close of the financial year as required by the Listing Regulations. The annual audited results are also uploaded on NEAPS and Listing Centre, Online Portal of NSE and BSE respectively, published in the newspapers and displayed on the Company's website.
- iii) Official news releases and presentations made to institutional investors and analysts are uploaded on NEAPS and Listing Centre, Online Portal of NSE and BSE respectively and posted on the Company's website.
- iv) The "Investor" and "Financial" section of the website of the Company gives information relating to financial results, annual reports, shareholding pattern and presentations made to analysts and at Annual General Meetings.
- v) The quarterly Shareholding Pattern and Corporate Governance Report of the Company are filed with NSE through NEAPS and with BSE through BSE Online Portal. The Shareholding Pattern is also displayed on the Company's website under the "Investor" section.
- vi) Material events or information, as detailed in Regulation 30 of the Listing Regulations, are disclosed to the Stock Exchanges by filing them with NSE through NEAPS and with BSE through BSE Online Portal.
- vii) The Company sends reminder to shareholders who have not claimed their dividends. Circulars are also sent periodically to shareholders urging them to opt for the electronic mode for receiving dividends.

#### 5. GENERAL SHAREHOLDERS INFORMATION

##### A. General Shareholder Information:

Annual General Meeting (Date, time and venue)	Tuesday, 28th September 2021, 12.00 PM through Video Conferencing (VC)/Other Audio Visual means (OAVM)			
Financial Year	01st April to 31st March.			
Dividend Payment Date	On or after 11th October 2021			
Book Closure date	22th September 2021 to 28th September 2021 (Both days Inclusive)			
Details of the Dividend Declared and Paid by the Company for the Last Five Years.	<b>Year(s)</b>	<b>Percentage (%)</b>	<b>In ₹ Per Share (FV-₹10)</b>	<b>Dividend Amount (₹ In Crores)</b>
	2015-16	15%	1.50	3.36
	2016-17	22.5%	2.25	5.04
	2017-18	22.5%	2.25	5.04
	2018-19	22.5%	2.25	5.46
	2019-20	Nil	Nil	Nil
Listing on Stock Exchanges	The Company's Equity Shares are currently listed with the BSE Limited and the National Stock Exchange of India Limited under Stock Codes "532785" and "RUCHIRA" respectively. The Company has already paid the requisite fees to stock exchanges for the financial year 2020-21.			
ISIN Number for NSDL and CDSL	Equity: INE803H01014			
Corporate Identification Number	L21012HP1980PLC004336			

Registrar & Share Transfer Agents	<p>Link Intime India Private Limited.  Mumbai Office: C-13, Pannalal Silk Mills compound, LBS Road, Bhandup (W) Mumbai-440078. Tel: 022-25963838, Email: mumbai@linktime.co.in  Delhi Office: Noble Height 1st Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi-110058.  Email: delhi@linkintime.co.in</p>
Share Transfer System	<p>99.99% of the equity shares of the Company are in electronic form. Transfer of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with the Company's Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Limited. The Share Transfers are processed and certificates normally returned within 14 days from the receipt, if the documents are clear in all respects.</p>
National Electronic Clearing System (NECS) for dividend.	<p>The remittance of dividend through Electronic Clearing System has been moved to National Electronic Clearing System (NECS) platform through core banking system effective. Accordingly, dividend will be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a bank has not migrated to core banking system, or where core banking account is not furnished by the shareholder to the Depository/ Company as the case may be, your Company will print details available in its records on the dividend warrants to be issued to the shareholders.</p> <p>(a) For shares held in physical form:</p> <p>Investors who would like to avail NECS facility and are holding shares in physical form may send in their NECS Mandate Form, duly filled in to the M/s. Link Intime India Private Limited. The NECS Mandate instruction should be under the signature of the shareholder(s) as per the specimen signature lodged with your Company.</p> <p>(b) For shares in electronic/dematerialized form:</p> <p>Investors holding shares in dematerialized or electronic form may check the detail on record with the concerned Depository Participant (DP). Pursuant to the Depository Regulations, your Company is obliged to pay dividend on dematerialized shares as per the details furnished by the concerned DP. The Company or the Registrar &amp; Transfer Agent cannot make any change in such records received from the Depository.</p>
Address for Correspondence	<p>Ruchira Papers Limited, Tirlokpur Road, Kala Amb, Distt. Sirmour (Himachal Pradesh) -173030.  Tel.No: 08053800897, 08053101892  Email: cs@ruchirapapers.com, investor@ruchirapapers.com</p>
Plant Location	<p>Tirlokpur Road, Kala Amb, Distt. Sirmour (Himachal Pradesh) -173030</p>
Compliance Officer	<p>Mr. Vishav Sethi  Company Secretary and Compliance Officer  cs@ruchirapapers.com</p>



**B. Market Price Data: Monthly High/low during each month of FY 2020-21 on both Stock exchanges, Mumbai:**

Months	Share prices of the Company for the FY 2020-21			
	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2020	48.55	33.15	48.35	33.55
May 2020	41.80	33.80	42.20	34.00
June 2020	69.55	39.10	69.60	37.65
July 2020	56.90	42.75	56.90	43.00
August 2020	70.10	43.20	70.15	43.60
September 2020	58.80	48.50	58.65	48.70
October 2020	55.50	46.15	55.25	45.90
November 2020	51.80	45.00	53.00	45.30
December 2020	71.30	51.75	74.55	52.00
January 2021	68.00	57.50	68.00	57.65
February 2021	66.80	57.60	67.00	57.40
March 2021	75.90	60.00	75.30	60.00

**C. Share Price Performance in comparison to broad based indices- BSE Sensex and NSE Nifty as on 31st March, 2021:**

	BSE (% Change)		NSE (% Change)	
	Ruchira	Sensex	Ruchira	Nifty
F.Y 2020-21	81.53%	67.80%	73.81%	71.14%

**D. Distribution of equity shareholding as on 31st March, 2021:**

Shareholding of Shares	Shareholders		Shares	
	Number	% of Total Shareholders	No. of Shares	% of Total Shares
Up to 500	16072	86.00	2078685	8.57
501 - 1000	1338	7.16	1079014	4.45
1001 - 2000	655	3.50	989415	4.08
2001 - 3000	225	1.20	582981	2.40
3001 - 4000	101	0.54	359506	1.48
4001 - 5000	76	0.41	358126	1.48
5001 - 10000	104	0.56	751215	3.10
10001 & Above	118	0.63	18052862	74.44
<b>TOTAL</b>	<b>18689</b>	<b>100</b>	<b>24251804</b>	<b>100</b>

**E. Categories of equity shareholders as on 31st March, 2021**

Categories	Number of Shares	%
Promoter and Promoter Group	15538278	64.07
Director and Director's relative	22742	0.09
Independent Directors	500	0.00
Financial Institutions/Banks	40	0.00
Foreign Portfolio Investors (Corporate)	143286	0.59
Bodies Corporate	375968	1.55
Non Resident Indians	398069	1.64
Clearing Members	61535	0.25
Indian Public	7298443	30.10
HUF	281227	1.16



Categories	Number of Shares	%
NBFC	11000	0.05
Alternate Investment Fund-III	115000	0.48
Investor Education and Protection Fund	5716	0.02
<b>TOTAL</b>	<b>24251804</b>	<b>100.00</b>

#### F. Top Ten Equity Shareholders of the Company as on 31st March 2021:

Sr. No.	Name of the Shareholder	Number of Equity Shares held	Percentage of holding
01.	Jatinder Singh	2444090	10.08
02.	Umesh Chander Garg	1470455	6.06
03.	Charanjeet Kaur	1273534	5.25
04.	Subhash Chander Garg	936170	3.86
05.	Umesh Chander Garg (HUF)	919669	3.79
06.	Shashi Garg	870109	3.59
07.	Deepan Garg	745959	3.08
08.	Radhika Garg	734841	3.03
09.	Parveen Garg	724505	2.99
10.	Subhash Chander Garg (HUF)	698625	2.88

#### G. Shares held by Independent Directors as on 31st March, 2021.

S. No	Name	No. of Shares
1.	Dalbir Singh	100
2.	Surinder Kumar Gupta	100
3.	Avtar Singh	100
4.	Swatantar Kumar Dewan	100
5.	Mrs. Suhasini Yadav	100

#### H. Dematerialization of Shares:

The shares of the Company can be held in dematerialized form with NSDL and CDSL. As on 31st March, 2021, a total of 24251643 Equity shares of the Company which form 99.99% of the share capital, stand dematerialized. The Company through its Registrar and Share Transfer Agents provides the facility of simultaneous transfer and dematerialization of shares. The Company's equity shares are regularly traded on NSE and BSE, in dematerialized form.

#### I. Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their impact on Equity:

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on 31st March 2021. The Board of Directors at their meeting held on 12th February 2021 has approved the issuance of 28,80,000 Share Warrants Convertible into equity shares to the Promoter and Promoters Group. The shareholders'

approval has been obtained through postal ballot on dated 22nd March 2021. Thereafter the allotment of Share Warrants was completed on 5th April 2021 after obtaining required In-principle approvals from BSE and NSE.

#### J. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not have any exposure to commodity price risk. The Company manages commodity and foreign exchange risk as per its policies.

#### K. Credit Rating:

During the year under review, the facility wise credit rating is as under:

Facilities	Rating
Long Term Bank Facilities	CRISIL BBB+/STABLE (Reaffirmed)
Short Term Bank Facilities	CRISIL A2 (Reaffirmed)

## 6. DISCLOSURES:

**A.** All Related Party Transactions that were entered into during the year were on an arm's length basis and were in compliance with applicable provisions of the Act and the Listing Regulations. Further the Board of Directors at their meeting held on 13th August 2021, pursuant to recommendation of Audit Committee, accorded its approval for related party transactions with Tirlokpur Boards Private Limited, for Purchase of Raw Material/ Packing Material and Sale of Finished Goods/Scrap/other by product, up to maximum aggregate value of ₹1.00 Crore (One Crore Only) each Financial Year for the period of Five Financial Years starting from 2021-22, provided that the said Contract(s)/Arrangement(s)/ Transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company, subject to approval of shareholders in the ensuing Annual General Meeting.

A statement of all Related Party Transactions is placed before the Audit Committee for its review on quarterly basis, specifying the nature, value and terms and conditions of the transactions. The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2 in Annexure V of Directors' Report and were at arm's length price.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the Link: <http://www.ruchirapapers.com/investors.html>.

### **B. Whistle blower policy/vigil mechanism:**

The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the code of conduct. The reportable matters may be disclosed to the Vigilance officer which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

### **C. Management Discussion and Analysis:**

A detailed report on the Management discussion and analysis is provided in the Management Discussion and Analysis section of the Annual Report.

### **D. Disclosure regarding appointment or re-appointment of directors:**

Mr. Umesh Chander Garg, Director retiring by rotation and being eligible, offered himself for re-appointment at the ensuing Annual General Meeting. Further the Board has approved the re-appointment of Mr. Vipin Gupta as Whole Time Director for the period of 5 years w.e.f 01st November 2021, subject to approval of shareholders in the ensuing AGM through Special Resolution.

### **E. Other Disclosures:**

There was no non-compliance during last three years by the Company on any matter relating to the Capital Market and any requirement of Corporate Governance Report. There were no penalties, structures passed by stock exchanges/SEBI or any statutory authority.

There is no pecuniary or business relationship between the Independent Directors and the Company, except for the sitting fees payable to them for attending the Board Meeting(s). A declaration to this effect is also submitted by all the Independent Directors at the beginning of each financial year.

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the Listing Regulations pertaining to CEO/ CFO certification for the Financial Year ended 31st March, 2021.

The Company does not have any non-listed Subsidiary Companies in terms of Regulation 16 of the Listing Regulations. Compliance status with mandatory and non-mandatory requirements pursuant to the provisions of Listing Regulations:-

**Mandatory Requirements:** The Company has complied with all the mandatory requirements pursuant to the provisions of Listing Regulations.

#### **Non-Mandatory Requirements adopted by the Company:**

- Mr. Subhash Chander Garg an Executive Director, was Chairman of the Company as at 31st March 2021 and more than 50% of the Board comprises of Non-Executive and Independent directors.
- Presently, half yearly financial performance is not being sent to any shareholder.
- The Company is having separate posts of Chairperson and Managing Director.

- The Internal Auditor directly reports to the Audit Committee.
- The financial statements of the Company are with unmodified audit opinion.

#### **F. Details of utilization of funds raised through preferential allotment or qualified institutional placement:**

During the year under review, the Company has not raised any fund through preferential allotment or qualified institutional placement.

**G.** Mr. Manoj Kumar of M/S M. Kumar & Associates, Practicing Company Secretary has issued a certificate confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

#### **H. Confirmation by the Board of Directors acceptance of recommendation of mandatory committees:**

In terms of the amended SEBI Listing Regulations, the Board of Directors of the Company confirms that during the year under review, it has accepted all recommendations received from its mandatory committees.

#### **I. Details of total fees paid to the Statutory of the Company:**

The total fees paid to M/S Subhash Sajal & Associates, Statutory Auditors of the Company during the Financial Year ended 31st March 2021 is ₹2,45,335/- (Including ₹5,335/- paid as reimbursement of expenses)

**J.** Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the Financial Year 2020-21	Nil
Number of complaints disposed of during the Financial Year 2020-21	Nil
Number of complaints pending as on end of the Financial Year 2020-21	Nil

#### **K. Details of non-compliance with requirements of corporate governance:**

The Company has complied with all the requirements of the corporate governance report as specified in Sub-Para (2) to (10) of Part C of Schedule V of the Listing Regulations.

#### **L. Details of compliance with corporate governance requirements:**

The Company has complied with the applicable corporate governance requirements as stipulated in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

#### **M. Reconciliation of Share Capital:**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with Depositories (i.e. with the NSDL and CDSL) and in physical form, tallying with the admitted, issued/paid-up capital and listed capital. This audit is carried out every quarter and the Report thereon is submitted to the Stock Exchange and is placed before the Board of Directors for their noting.

#### **N. Dividend Policy:**

Dividends, other than interim dividend(s), are to be declared at the Annual General Meetings of shareholders based on the recommendation of the Board of Directors. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividend includes, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions. The Board of Directors may also pay interim dividend(s) to shareholders.

#### **O. Company's Policy on Prohibition of Insider Trading:**

The Company has also formulated a Policy for prohibition of Insider Trading to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. The policy envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The full text of the policy is available on the website of the Company <http://www.ruchirapapers.com/investors.html>.

**P. Equity shares in the suspense account:**

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1st, 2020	02	615
Shareholders who approached the Company for transfer of shares from suspense account during the year	Nil	Nil
Shareholders to whom shares were transferred from the suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31st, 2021	02	615

The voting rights on the shares outstanding in the suspense account as on 31st March 2021 shall remain frozen till the rightful owner of such shares claims the shares.

**Q. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund (IEPF):**

Pursuant to Section 124 and other applicable provisions, if any, of the Companies Act, 2013, all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company shall be transferred to the Investor Education and Protection Fund.

During the Year, the Company was required to transfer an amount of ₹1,02,862/- to the Investor Education and Protection Fund related to unpaid dividend for the FY 2012-13. The company transferred the aforesaid amount to IEPF on 15th May 2020 i.e with in due date. The following table contains the information relating to outstanding dividend account as on 31st March 2021 and the proposed dates of transfer the same to IEPF.

Financial Year	Dividend Per Share	Date of Declaration	Proposed/Due date of transfer to IEPF
2013-14	₹1.20	September 25, 2014	October 31, 2021
2014-15	₹1.30	September 25, 2015	October 31, 2022
2015-16	₹1.50	September 30, 2016	November 06, 2023
2016-17	₹2.25	September 21, 2017	October 28, 2024
2017-18	₹2.25	September 28, 2018	November 03, 2025
2018-19	₹2.25	September 25, 2019	October 31, 2026

## Declaration of Compliance with the Code of Conduct.

I hereby confirm that:

The Company has obtained affirmation(s) from all the members of the Board and Senior Management Personnel, that they have complied with Code of Conduct for Board Members and Senior Management Personnel in respect of the Financial Year ended 31st March 2021.

Place: Kala Amb  
Date: 18th June 2021

**Umesh Chander Garg**  
Managing Director  
DIN- 01593400

## Practicing Company Secretary's Certificate under Sub- Para 10(i) of part C of Schedule V of SEBI (LODR), Regulations, 2015

To  
The Members of  
**Ruchira Papers Limited,**  
Kala Amb Himachal Pradesh- 173030

I have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of Ruchira Papers Limited having CIN-L21012HP1980PLC004336 and having registered office at Kala Amb Tirlokpur Road, Himachal Pradesh-173030 ( hereinafter referred to as "the Company), produced before me 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 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](http://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 ended 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.

Sr. No.	Name of Director	Din No.
1.	Shri Jatinder Singh	01594919
2.	Shri Subhsh Chander Garg	01593104
3.	Shri Umesh Chander Garg	01593400
4.	Shri Vipin Gupta	05107366
5.	Shri Swatantar Kumar Dewan	00427404
6.	Shri Surinder Kumar Gupta	01108489
7.	Shri Avtar Singh Bajwa	01605978
8.	Shri Dalbir Singh	01538540
9.	Smt. Suhasini Yadav	06925910

Ensuring the eligibility of 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 management has conducted the affairs of the Company.

For **M. Kumar & Associates**  
Company Secretaries

**Manoj Kumar**  
(Proprietor)

Membership No.: 33604

CP No: 12439

UDIN No.:A033604C000318207

Date: 15.05.2021

Place: Ghaziabad

## Auditor's Certificate on Corporate Governance

To,  
The Members  
**Ruchira Papers Limited**

We, Subhash Sajal & Associates, Chartered Accountants, the Statutory Auditors of the Company have examined the compliance of conditions of Corporate Governance by the Company, for the year ended 31st March 2021, as stipulated in Regulation 17 to 27 and Clause (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with the Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the company in accordance with the Guidance Note on certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the standard on auditing specified under section 143(10) of the Company Act 2013, in so far as applicable for the purpose of this certificate and as per 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.

We have complied with the relevant applicable requirements of the Standards 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.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the Listing Regulations during the year ended 31st March 2021.

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

For **Subhash Sajal & Associates**  
Chartered Accountants  
Registration No.018178N

**Subhash Mittal (F.C.A.)**  
Partner

Membership No.089077  
UDIN: 21089077AAAABY5521

Place- Kala Amb  
Date- 18.06.2021

## Certification by Managing Director & Chief Financial Officer

To,  
The Board of Directors,  
**Ruchira Papers Limited**  
Kala Amb (H.P.)

We hereby certify that on the basis of the review of the financial statements and the cash flow statement for the financial year ended 31st March, 2021 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

We hereby certify that, to the best of our knowledge and belief, no transactions entered into during the year by the Company are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

1. There has not been any significant change in internal control over financial reporting during the year under reference;
2. There has not been any significant changes in accounting policies during the year under reference; and
3. We are not aware of any instance during the year of significant fraud with involvement therein, if any, of the management or an employee having a significant role in the internal control system over financial reporting.

For Ruchira Papers Limited

**Umesh Chander Garg**  
(Managing Director)  
DIN- 01593400

**Vipin Gupta**  
(CFO & Executive Director)  
DIN- 05107366

Place: Kala Amb  
Date: 18th June 2021



# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Ruchira Papers Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Ruchira Papers Limited ("The Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equities and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015 as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 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 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 Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities

in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2021. We have determined that there are no key audit matters to communicate in our report.

### Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures, Corporate Governance and Shareholders' Information, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive



income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and other generally accepted accounting principles in India including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, (the order) issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  2. As required by Section 143 (3) of the Act, based on our audit, 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
    - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.
    - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
    - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors 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 Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/ provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V of the Act.
  - (h) With respect of 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 knowledge and belief and according to the information and explanations given to us:
    - (i) The Company did not have any pending litigation, which may have impact on its financial position in its financial statements.
    - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Subhash Sajal & Associates**  
Chartered Accountants  
Registration No.018178N

**Subhash Mittal (FCA)**  
Partner

Date: 18th June 2021  
Place: Kala Amb

Membership No.089077  
UDIN: 21089077AAAABZ8689

## Annexure A to Independent Auditor's Report

Referred to in our Independent Auditor's Report of even date to the members of Ruchira Papers Limited on the financial statements as of and for the year ended March 31, 2021, we report the following:

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation, of Property Plant and Equipment.
- (b) The Property Plant and Equipment were physically verified by the Management during the year in accordance with a regular verification programme which, in our opinion provides for physical verification of all the Property Plant and Equipment at reasonable interval. According to information and explanations given to us, no material discrepancies have been noticed on such verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties included in Property Plant and Equipment are held in the name of the Company.
- ii. The physical verification of inventory except stocks in transit has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been dealt with in books of account. However in respect of certain items, the inventories were verified by the management on a visual estimation which has been relied upon by us.
- iii. The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- iv. No transactions relating to Loans, Investment, Guarantees and Security has been made during the year under the provisions of Section 185 and 186 of the Companies Act, 2013. Accordingly the provisions of clause 3 (iv) of the said Order are not applicable to the Company.
- v. In our opinion and according to information and explanations given to us the company has not accepted any deposit from the public within the meaning of Sections 73 to 76 of the Act or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly paragraph 3(v) of the Order is not applicable to the Company.
- vi. Pursuant to the rules by the Central Government of India, the Company is required to maintain cost records as specified under Section 148 (1) of the Act in respect of its products. We have broadly reviewed the same, and are of the Opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the same.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, amounts deducted/ accrued in the books of account in respect of the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Taxes, Goods and Service Tax, Duty of Customs and other material statutory dues, as applicable, have been regularly deposited during the year by the Company with the appropriate authorities.  

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Taxes, Goods and Service Tax, Duty of Customs and other material statutory dues, were in arrears as at 31st March 2021 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us the records of the Company examined by us, there are no dues of Income Tax, Goods and Service Tax and Duty of Custom which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial Institution or bank. The Company does not have any loans and borrowings from Government. Further, the Company has not issued any debentures.

- ix. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) except term loans. The term loans raised during the year were utilized for the purpose for which those 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, noticed or reported during the course of our audit.
- xi. In our opinion and according to information and explanations given to us, 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. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the order are not applicable to the Company.
- xiii. In our opinion and according to information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act, wherever applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the orders are not applicable to the Company.
- xv. In our opinion and according to information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3 (xvi) of the order are not applicable to the Company.

**For Subhash Sajal & Associates**  
Chartered Accountants  
Registration No.018178N

**Subhash Mittal (FCA)**  
Partner

Date: 18th June 2021

Place: Kala Amb

Membership No.089077

UDIN: 21089077AAAABZ8689

## Annexure B to Independent Auditor's Report

Referred to in paragraph 2(f) of the Independent Auditor's Report of even date to the members of Ruchira Papers Limited on the financial statements for the year ended March 31, 2021, we report the following:

### Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Ruchira Paper Limited ("the Company") as at 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

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 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 Act.

### Auditor's Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) 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 of management and directors of the company; and
- (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial

controls over financial reporting were operating effectively as at March 31, 2021, based on the internal controls over financial reporting criteria established by the Company considering the essential components over 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 Subhash Sajal & Associates**  
Chartered Accountants  
Registration No.018178N

**Subhash Mittal (FCA)**  
Partner

Date: 18th June 2021  
Place: Kala Amb

Membership No.089077  
UDIN: 21089077AAAABZ8689

## Balance Sheet as at 31st March 2021

Particulars	Note No.	(Amount in ₹)	
		As at 31st March 2021	As at 31st March 2020
		3	4
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	2A	2351540500	2339592784
(b) Capital work-in-progress	2B	297158768	54104585
(c) Financial Assets:			
(i) Investments	3	2500	2500
(d) Other non-current assets	4	3461828	3466228
Total Non Current Assets(A1)		2652163596	2397166097
<b>2 Current assets</b>			
(a) Inventories	5	731533710	773534994
(b) Financial Assets			
(i) Trade receivables	6	649347035	631959901
(ii) Cash and cash equivalents	7	5804336	16246360
(iii) Loans & Advances	8	103431641	193942711
Total Current Assets(A2)		1490116722	1615683966
<b>Total Assets(A1+A2)</b>		<b>4142280318</b>	<b>4012850063</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 EQUITY</b>			
(a) Equity Share capital	9	242518040	242518040
(b) Other Equity		2458831761	2403155053
Total Equity(B1)		2701349801	2645673093
<b>LIABILITIES</b>			
<b>2 Non-Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	10	154070295	59935430
(b) Provisions	11	13700742	26651132
(c) Deferred tax liabilities (Net)	12	245380734	242854010
(d) Other non-current liabilities	13	87414872	74736610
Total Non Current Liability(B2)		500566643	404177182
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	487837969	527435111
(ii) Trade payables	15	213177955	179877191
(b) Other current liabilities	16	184540225	144395615
(c) Provisions	17	44522229	51730340
(d) Current Tax Liabilities (Net)	18	10285496	59561531
Total Current Liabilities(B3)		940363874	962999788
<b>Total Equity and Liabilities (B1+B2+B3)</b>		<b>4142280318</b>	<b>4012850063</b>

### SIGNIFICANT ACCOUNTING POLICIES

1

This is the Balance Sheet referred to in our report of even date.  
The Notes refer to above form part of the Financial Statements.

#### Auditors Report

Certified in terms of our separate report of even Date

For **Subhash Sajal and Associates**

Chartered Accountants  
Registration No.018178N

**Subhash Mittal ( F.C.A.)**

Partner  
Membership No.089077

Place: Kala Amb

Date: 18th June 2021

For and on behalf of Board of Directors

**Jatinder Singh**

(Chairman & Whole Time Director)  
DIN- 01594919

**Vipin Gupta**

(CFO & Executive Director)  
DIN- 05107366

**Umesh Chander Garg**

(Managing Director)  
DIN- 01593400

**Vishav Sethi**

(Company Secretary)



**Statement of Profit and Loss** for the period ended 31st March 2021

(Amount in ₹)

Particulars	Note No.	2020-21	2019-20
I Revenue From Operations	19	4154206851	4810139714
II Other Income	20	12447956	15386283
<b>III Total Income (I+II)</b>		<b>4166654807</b>	<b>4825525997</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	21	2858980311	3227388528
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	22	58268748	52939250
Employee benefits expense	23	421886242	464714913
Finance costs	24	58054674	68608753
Depreciation and amortization expense	2A	137858904	137198843
Other expenses	25	569793608	624467892
<b>Total expenses (IV)</b>		<b>4104842487</b>	<b>4575318179</b>
<b>V Profit/(loss) before exceptional items and tax (III- IV)</b>		<b>61812320</b>	<b>250207818</b>
VI Exceptional Items - (profit)/loss		-	(1153277)
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>61812320</b>	<b>251361095</b>
VIII Tax expense:			
(1) Current tax		10335258	63117585
(2) Deferred tax		2526724	(85382274)
(3) Earlier year Taxes		(997747)	(116618)
<b>IX Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>49948085</b>	<b>273742402</b>
X Profit/(loss) from Discontinued operations (after tax)		-	-
<b>XI Profit/(loss) for the period (IX+X)</b>		<b>49948085</b>	<b>273742402</b>
XII Other Comprehensive Income:			
A (i) Items that will not be reclassified to profit or (loss):- Remeasurements of the net defined benefits plans		7655311	(7712616)
(ii) Income tax relating to items that will not be reclassified to profit or (loss):- Remeasurements of the net defined benefits plans		1926688	(1976404)
B (i) Items that will be reclassified to profit or (loss)		-	-
(ii) Income tax relating to items that will be reclassified to profit or (loss)		-	-
<b>XIII Total Comprehensive Income for the period (XI+XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>55676708</b>	<b>268006190</b>
<b>XIV Earnings per equity share (for continuing operation):</b>			
(1) Basic	26	2.06	11.29
(2) Diluted	26	2.06	11.29

This is the Statement of Profit and Loss referred to in our report of even date.  
The Notes refer to above form part of the Financial Statements.

**Auditors Report**

Certified in terms of our separate report of even Date

For **Subhash Sajal and Associates**  
Chartered Accountants  
Registration No.018178N

**Subhash Mittal ( F.C.A.)**  
Partner  
Membership No.089077

Place: Kala Amb  
Date: 18th June 2021

**For and on behalf of Board of Directors**

**Jatinder Singh**  
(Chairman & Whole Time Director)  
DIN- 01594919

**Vipin Gupta**  
(CFO & Executive Director)  
DIN- 05107366

**Umesh Chander Garg**  
(Managing Director)  
DIN- 01593400

**Vishav Sethi**  
(Company Secretary)



## Statement of Cash Flow for the year ended 31st March 2021

(Amount in ₹)

	For the Year ended at 31st March 2021	For the year ended at 31st March 2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Profit and Loss Account	61812320	251361095
Adjusted for:		
Loss/(Profit) on sale of Fixed Assets (Net)	(589401)	(1153277)
Depreciation and amortization expenses	137858904	137198843
Net Defined Benefits Plans Charged to OCI	7655311	(7712616)
Interest/Dividend Income	(11628867)	(13259760)
Interest Expense	55715090	63228267
	189011037	178301457
<b>Operating Profit before working capital changes</b>		
Adjusted for:		
Decrease/(increase) in Trade Receivables	(17387134)	(821758)
Decrease/(increase) in Inventories	42001284	64850926
Decrease/(increase) in Loans & advances	32117439	(5365321)
(Decrease)/increase in Trade Payables	33300764	(4806309)
(Decrease)/increase in Other Current Liabilities	1278063	(1723128)
	91310416	52134410
<b>Cash generated from Operations</b>	342133773	481796962
Income Tax Paid(Net)	(1924658)	(99824946)
Net Cash from Operating Activities	340209115	381972016
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(393360947)	(196030413)
Proceeds from sale of Fixed assets	872000	2315000
Interest/Dividend received	11628867	13259760
Net Cash (Used in ) Investing Activities	(380860080)	(180455653)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	203307966	21550000
Repayments of Long Term Borrowing	(77786793)	(149372491)
Proceeds from Short Term Borrowings(Net)	(39597142)	56841490
Dividend Paid	-	(54566559)
Dividend Tax	-	(11216317)
Interest Paid	(55715090)	(63228267)
Net Cash (Used in ) From Financing activities	30208941	(199992144)
<b>Net Increase/(Decrease) in Cash &amp; Cash equivalents (A+B+C)</b>	(10442024)	1524219
Cash & Cash equivalents at beginning of the period	16246360	14722141
Cash & Cash equivalents at end of the period*	5804336	16246360

\* Include towards unclaimed dividend of ₹708500/- ( Previous year ₹836451/-)

### Notes:

1. Previous year figures have been regrouped / rearranged wherever necessary.
2. Negative figures have been shown in brackets.

### Auditors Report

Certified in terms of our separate report of even Date

For Subhash Sajal and Associates

Chartered Accountants  
Registration No.018178N

Subhash Mittal ( F.C.A.)

Partner  
Membership No.089077

Place: Kala Amb

Date: 18th June 2021

### For and on behalf of Board of Directors

Jatinder Singh  
(Chairman & Whole Time Director)  
DIN- 01594919

Vipin Gupta  
(CFO & Executive Director)  
DIN- 05107366

Umesh Chander Garg  
(Managing Director)  
DIN- 01593400

Vishav Sethi  
(Company Secretary)

## Statement of Change in Equity for the year ended 31st March 2021

### A. Equity Share Capital

Particular	No. of Share	Amount in ₹
Balance as at 01/04/2019	24251804	242518040
Changes in equity share capital during the period	-	-
Balance as at 31/03/2020	24251804	242518040
Changes in equity share capital during the period	-	-
Balance as at 31/03/2021	24251804	242518040

### B. Other Equity

Particulars	Reserves and Surplus			Other items of Other Comprehensive Income Remeasurements of net defined benefits plans	Money received against share warrants	Total
	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance as at 01/04/2019	419901954	39626724	1748027105	(6624044)	-	2200931739
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	419901954	39626724	1748027105	(6624044)	-	2200931739
Profit for the Year	-	-	273742402	-	-	273742402
Other Comprehensive Income for the year	-	-	-	(5736212)	-	(5736212)
Dividends paid	-	-	54566559	-	-	54566559
Dividend Tax paid	-	-	11216317	-	-	11216317
Transfer to retained earnings	-	-	-	-	-	-
Cash Proceeds/(Payments)	-	-	-	-	-	-
Balance as at 31/03/2020	419901954	39626724	1955986631	(12360256)	-	2403155053
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	419901954	39626724	1955986631	(12360256)	-	2403155053
Profit for the Year	-	-	49948085	-	-	49948085
Other Comprehensive Income for the year	-	-	-	5728623	-	5728623
Dividends paid	-	-	-	-	-	-
Dividend Tax paid	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Cash Proceeds/(Payments)	-	-	-	-	-	-
Balance as at 31/03/2021	419901954	39626724	2005934716	(6631633)	-	2458831761

#### Auditors Report

Certified in terms of our separate report of even Date

For **Subhash Sajal and Associates**

Chartered Accountants  
Registration No.018178N

**Subhash Mittal ( F.C.A.)**

Partner  
Membership No.089077

Place: Kala Amb

Date: 18th June 2021

#### For and on behalf of Board of Directors

**Jatinder Singh**

(Chairman & Whole Time Director)  
DIN- 01594919

**Vipin Gupta**

(CFO & Executive Director)  
DIN- 05107366

**Umesh Chander Garg**

(Managing Director)  
DIN- 01593400

**Vishav Sethi**

(Company Secretary)

## Notes to Financial Statements: Note-1

### 1. Corporate Information:

Ruchira Papers Limited (the Company) is a manufacturing company. The Company manufactures Kraft Paper and Writing and Printing Paper. The Company is a public limited company incorporated and domiciled in India. The address of its Registered Office is Tirlokpur Road, Kala Amb, Distt-Sirmaur, Himachal Pradesh-173030. The equity shares of the company are listed on National Stock Exchange of India Ltd (NSE) and BSE Limited (BSE).

The Financial Statements for the year ended 31st March 2021 were approved by the Board of Directors and authorized for issue on 18th June 2021.

### 2. Basis for preparation, measurement and significant accounting policies

#### 2.1 Basis for preparation and measurement

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS" as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time under the historical cost convention on the accrual basis.

Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to existing accounting standard requires a change in the accounting policy either to in use.

#### 2.2 Statement of Compliance

The Financial Statements comply with all material aspects with Indian Accounting Standards.

#### 2.3 Functional and Presentation Currency

The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees. All amounts have been rounded off to the nearest rupees unless otherwise indicated.

#### 2.4 Use of estimates and judgments

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires the management of the Company to make judgments, estimates and assumptions. These estimates, judgments and assumptions effect the application of accounting policy and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes and estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their affects are disclosed in the notes to the financial statements.

The areas involving significant estimates and judgement include determination of useful life of property, plant and equipment, measurement of defined benefit obligations, recognition and measurement of provisions and contingencies and recognition of deferred tax assets/liabilities.

### 3. Critical accounting estimates

#### a) Revenue recognition

Revenue is recognized to the extent that is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Sales are recognized when goods are supplied and the significant risks and rewards or ownership of the goods have passed to the buyer. Dividend income is accounted in the year in which it is received. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

## Notes to Financial Statements: Note-1

### b) Export Incentives

The revenue in respect of export benefits is recognized on post export basis at the rate at which the entitlements accrue.

### c) Insurance and other claims

Insurance and other claims are recognized when there exist no significant uncertainty with regard to the amount to be realized and the ultimate collection thereof.

### d) Income Taxes

Significant judgments are involved in determining the provisions for income taxes including amount expected to be paid/incurred on uncertain tax positions.

### e) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The change in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets determine by the management at the time asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as change in technology.

## 4. Significant Accounting Policies

### a) Property, plant and equipment:

Property, plant and equipment is stated at acquisition cost net of Input Tax Credit/Cenvat, accumulated depreciation and accumulated impairment losses, if any. The Cost of these assets comprise its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure relating to an item of assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance. All other repairs and maintainance cost are charged to the statement of profit and loss during the period in which they are incurred.

Gains/Losses arising on disposal of property, plant and equipment are recognized in the statement of profit and loss as exceptional items.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as Capital Work in Progress.

Depreciation on fixed assets other than vehicles and furniture & fixtures is provided on straight line method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. Depreciation on vehicles and furniture & fixtures has been provided on written down value method under Schedule II of the Companies Act, 2013.

The depreciation on plant and machinery and effluent treatment plant has been provided on the rates applicable to continuous process plant.

Freehold land is not depreciated.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at the end of each financial year and adjusted prospectively, if appropriate.

### b) Inventories:

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence, if any except in case of by-product which are valued at net realizable value. The cost is computed on First in First out (FIFO) basis. Cost for the purpose of valuation of finished goods and goods in process is computed on the basis of cost of material, labour and other related overheads.

## Notes to Financial Statements: Note-1

**c) Cash and Cash Equivalents:**

Cash and Cash Equivalents are short term (3 months or less from the date of acquisition), highly liquid investments that are daily convertible into cash and which are subject to and insignificant risk of changes in value.

**d) Trade Receivables:**

Trade receivables are recognized at fair value.

**e) Impairment of Non Financial Tangible Assets:**

Property, plant and equipment with finite life are evaluated for recoverability whenever there is an indication that carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e higher of fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flow that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the assets belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

**f) Cash Flow Statement**

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS)-7 "Statement of Cash Flows" using the Indirect Method for operating activities.

**g) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of cost of such asset. Qualifying asset is one that takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenditure in the period in which these are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**h) Foreign currency transactions**

**Functional and Presentation currency**

The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupees.

**Transaction and balances**

Transactions in foreign currency are initially recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency at the date of the transaction.

Effective 01 April 2018, the company has adopted Appendix-B to Ind-AS 21 'Foreign currency transaction and advance consideration', which clarifies the date of transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income where an entity has paid or received advance consideration in a foreign currency. The effect on account of adoption of this amendment is insignificant.

Exchange differences arising on the settlement of monetary items or on reporting of monetary items at rates different from rates at which these were recognized on initial recognition during the period or reported in previous financial statements as recognized in the statement of profit or loss in the period in which they arise.

**i) Provisions, Contingent Liabilities & Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

## Notes to Financial Statements: Note-1

### j) Expenditure:

Expenses are accounted on accrual basis.

### k) Employee Benefits:

#### Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuation being carried out at each Balance Sheet date. Actuarial Gains and losses on funded obligations are recognized in full in other comprehensive income for the period in which they occur.

#### Defined Contribution Plans

Contributions to defined contribution plans are recognized as expense when employee have rendered services entitling them to such benefits.

### l) Income Taxes:

Income Tax expense for the year comprises both current and deferred taxes. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. It is recognized in the statement of profit and loss. Deferred Income Taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of early years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are reassessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

### m) Earnings per Share:

Basic Earnings per Share is computed by dividing profit or loss attributable to equity shareholders of the company by the weighted average number of equity share outstanding during the year.

For the purpose of calculating diluted Earnings per share, the net profit for the period attributable to equity shares and the weighted average number of equity share outstanding during the period is adjusted for the effect of all dilutive potential equity shares.

#### Estimation uncertainty relating to global health pandemic on COVID-19

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property plant and equipment, investments, inventory and trade receivables. Based on the current indicator of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from the estimated as at the date of approval of these financial statements.

The Company will continue to closely monitor any material changes arising in future economic condition and impact on its business.

## Notes on Financial Statements for the period ended 31st March, 2021

### 2.) PROPERTY, PLANT AND EQUIPMENTS AND CAPITAL WORK IN PROGRESS

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01.04.2020	ADDITIONS	DISPOSALS/ TRANSFER	AS AT 31.03.2021	AS AT 01.04.2020	FOR THE YEAR (20-21)	DISPOSALS/ TRANSFER	AS AT 31.03.2021	AS AT 31.03.2020
<b>A) PROPERTY, PLANT &amp; EQUIPMENT</b>									
<b>TANGIBLE ASSETS:</b>									
LAND	355384279	79062140	-	434446419	-	-	-	434446419	355384279
BUILDING	372750016	572216	-	373322232	137842420	11828600	-	223651212	234907596
OFFICE BUILDING	59362915	-	-	59362915	7210856	937934	-	51214125	52152059
PLANT & MACHINERY	2759623063	59853742	-	2819476805	1145140802	105151980	-	1569184023	1614482261
E.T.P.	63451130	-	-	63451130	47022736	867521	-	15560873	16428394
TUBE WELL	7727246	-	-	7727246	6090410	499916	-	1136920	1636836
FURNITURE	28745468	431148	-	29176616	18319575	2660793	-	8196248	10425893
OFFICE EQUIPMENTS	14084404	594378	-	14678782	9801109	1304496	-	3573177	4283295
VEHICLES	118749704	7857528	4425345	122181887	73700880	14028406	4158600	38611201	45048824
MISC. FIXED ASSETS	28080225	1935612	149875	29865962	23236878	796803	134021	5966302	4843347
<b>SUB-TOTAL (A)</b>	<b>3807958450</b>	<b>150306764</b>	<b>4575220</b>	<b>3953689994</b>	<b>1468365666</b>	<b>138076449</b>	<b>4292621</b>	<b>2351540500</b>	<b>2339592784</b>
<b>B) CAPITAL WORK IN PROGRESS</b>									
PLANT & MACHINERY(CWIP)	-	-	-	-	-	-	-	263340887	28511547
BUILDING UNDER CONSTRUCTION(CWIP)	-	-	-	-	-	-	-	-	572216
TUBEWELL (CWIP)	-	-	-	-	-	-	-	-	-
PRE-OPERATIVE EXP. (CWIP)	-	-	-	-	-	-	-	33817881	25020822
<b>SUB-TOTAL (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>297158768</b>	<b>54104585</b>

\* NOTE: ₹217545/- (PREVIOUS YEAR ₹315245/-) BEING THE AMOUNT OF DEPRECIATION CHARGED ON ASSETS BELONGING TO PUNJAB PROJECT/UNIT IS NOT CHARGED TO THE STATEMENT OF PROFIT & LOSS AND IS CHARGED TO PRE-OPERATIVE EXPENSES AS THE PUNJAB PROJECT /UNITS UNDER IMPLEMENTATION.

## Notes on Financial Statements for the period ended 31st March, 2021

### 3 NON CURRENT INVESTMENTS

(Long term investments)

	As at 31st March 2021	(Amount in ₹) As at 31st March 2020
Other Investments		
In Equity Shares-Unquoted, fully paid up		
250 Shivalik Solid waste Management Ltd. ₹10 each	2500	2500
<b>TOTAL</b>	<b>2500</b>	<b>2500</b>

### 4 OTHER NON CURRENT ASSETS

(Unsecured and Considered Good)

	As at 31st March 2021	(Amount in ₹) As at 31st March 2020
Security Deposits		
With HPSEB and Others	3461828	3466228
<b>TOTAL</b>	<b>3461828</b>	<b>3466228</b>

### 5 INVENTORIES

	As at 31st March 2021	(Amount in ₹) As at 31st March 2020
Raw Materials and components	298183005	306638270
Work-in-progress	49846600	73007000
Finished goods	40596717	75705065
Stores and spares	342907388	318184659
<b>TOTAL</b>	<b>731533710</b>	<b>773534994</b>

### 6 TRADE RECEIVABLES

	As at 31st March 2021	(Amount in ₹) As at 31st March 2020
Unsecured and Considered Good	649347035	631959901
<b>TOTAL</b>	<b>649347035</b>	<b>631959901</b>

### 7 CASH & CASH EQUIVALENT

	As at 31st March 2021	(Amount in ₹) As at 31st March 2020
Balances with Banks*	725047	854306
Cash in hand	1466567	2082054
Margin Money*	3612722	13310000
<b>TOTAL</b>	<b>5804336</b>	<b>16246360</b>

\*Balance with bank includes ₹708500/- as Unpaid Dividend (Previous Year- ₹836451/-) and margin money includes ₹920144/- as fixed deposits with Banks having maturity period of more than 12 months (Previous Year - ₹1056000/).



## Notes on Financial Statements for the period ended 31st March, 2021

### 8 SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

(Amount in ₹)

	As at 31st March 2021		As at 31st March 2020	
Others				
Balance with revenue authorities	42497429		101113005	
Other loan and advances	60492872		91182950	
Interest incurred but not due	441340		1646756	
		103431641		193942711
<b>TOTAL</b>		<b>103431641</b>		<b>193942711</b>

### 9 SHARE CAPITAL

(Amount in ₹)

	As at 31st March 2021		As at 31st March 2020	
Authorised Share Capital				
31000000 Equity Shares of ₹10/- each (31000000)		310000000		310000000
Issued Subscribed and Paid up				
24251804 Equity Shares of ₹10/- each fully paid up		242518040		242518040
<b>TOTAL</b>		<b>242518040</b>		<b>242518040</b>

9.1 The reconciliation of the number of shares outstanding is set out below:

	As at 31st March 2021		As at 31st March 2020	
	Number of Shares		Number of Shares	
Equity Shares at the beginning of the Year		24251804		24251804
Add: Equity Shares Issued during the year		-		-
Less: Equity Shares bought back during the year		-		-
Equity Shares at the end of the year		24251804		24251804

9.2 The details of Shareholders holding more than 5% Shares

Name of Shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	% held	No. of Shares	% held
Sh.Jatinder Singh	2444090	10.08%	2444090	10.08%
Sh.Umesh Chander Garg	1470455	6.06%	1470455	6.06%
MS.Charanjeet Kaur	1273534	5.25%	1273534	5.25%

9.3 The company has only one class of equity shares having a face value of ₹10/- per share. Accordingly all equity shares rank equally with regards to dividends and share in the company's residual assets on winding up if any. Each holder of equity share is entitled to one vote per share.

9.4 During the five year immediately preceding 31st March 2021, neither any bonus shares have been issued nor any shares have been bought back. Further, no share have been issued for consideration other than cash.

## Notes on Financial Statements for the period ended 31st March, 2021

### 10 NON CURRENT BORROWINGS

(Amount in ₹)

	As at 31st March 2021		As at 31st March 2020	
	Non-Current		Non-Current	
Secured				
Term Loans				
From Banks	109658654		23458259	
From Others	8961641		14927171	
		118620295		38385430
Unsecured				
From Other( Promoters)		35450000		21550000
<b>TOTAL</b>		<b>154070295</b>		<b>59935430</b>

10.1 The term loans from Banks are secured by first Parri Passu charge created/ to be created on existing and proposed block of assets of the Company by way of hypothecation of Machinery and Equipment and other fixed assets and equitable Mortgage of Land and Building of the company and further secured by the personal guarantee of the Managing Director and the Whole Time Directors . Term loans are further secured by 2nd Parri Passu charge on the current assets of the Company. The Vehicle loans are secured by hypothecation of vehicles acquired against such loans.Home loan is secured by first charge on flat at GK-II New Delhi.

### 11 NON CURRENT PROVISIONS

(Amount in ₹)

	As at 31st March 2021		As at 31st March 2020	
	Provision for employee benefits			
Leave Encashment		13700742		26651132
<b>TOTAL</b>		<b>13700742</b>		<b>26651132</b>

### 12 DEFERRED TAX LIABILITY (Net )

(Amount in ₹)

	As at 31st March 2021		As at 31st March 2020	
	Deferred Tax Liability			
Related to fixed assets		249188937		250899024
Deferred Tax Assets				
Unabsorbed Depreciation/disallowances under the Income Tax Act, 1961		3808203		8045014
<b>TOTAL</b>		<b>245380734</b>		<b>242854010</b>

### 13 OTHER NON CURRENT LIABILITIES

(Amount in ₹)

	As at 31st March 2021		As at 31st March 2020	
	Others			
Creditors for Capital Work	28284920		7552707	
Security Deposit From Suppliers	8185000		10185000	
Security Deposit From Customers	50944952		56998903	
		87414872		74736610
<b>TOTAL</b>		<b>87414872</b>		<b>74736610</b>

## Notes on Financial Statements for the period ended 31st March, 2021

### 14 CURRENT BORROWINGS

	(Amount in ₹)	
	As at 31st March 2021	As at 31st March 2020
<b>Secured</b>		
Working Capital Loans from Banks		
Rupee Loans	487837969	527435111
<b>TOTAL</b>	<b>487837969</b>	<b>527435111</b>

14.1 The working capital limits (Fund Based and Non-Fund Based) from banks are secured by first Parri Passu charge on current assets of the company both present and future and shall include raw materials, semi finished goods in process, finished goods, stores and spares and book debts of the Company and further secured by personal guarantees of the Managing Director and Whole Time Directors. The limits are further secured by first Parri Passu charge on the surplus fixed assets of the company.

### 15 TRADE PAYABLES

	(Amount in ₹)	
	As at 31st March 2021	As at 31st March 2020
Micro Small and Medium Enterprises	66108668	11595778
Others	147069287	168281413
<b>TOTAL</b>	<b>213177955</b>	<b>179877191</b>

15.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

	(Amount in ₹)	
	As at 31st March 2021	As at 31st March 2020
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment beyond the appointee day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years.	-	-

### 16 OTHER CURRENT LIABILITIES

	(Amount in ₹)	
	As at 31st March 2021	As at 31st March 2020
Current maturities of long-term debts	120323178	88936870
Advances from Customers*	2815159	5935398
Unclaimed dividend	708500	836451
Statutory dues	38873714	14540076
Other provisions (expenses payable)	21819674	34146820
	184540225	144395615
<b>TOTAL</b>	<b>184540225</b>	<b>144395615</b>

\* Amount received for supply of goods/material and outstanding amount does not exceed the period of 365 days.

## Notes on Financial Statements for the period ended 31st March, 2021

### 17 CURRENT PROVISIONS

(Amount in ₹)

	As at 31st March 2021		As at 31st March 2020	
Provision for employee benefits				
Salary & Reimbursements	24718893		28432887	
Leave Encashment	1430389		4743313	
Contribution to EPF	4953020		4985813	
Superannuation	423376		483410	
Annual Bonus	12996551		13084917	
		44522229		51730340
<b>TOTAL</b>		<b>44522229</b>		<b>51730340</b>

### 18 CURRENT TAX LIABILITY (NET)

(Amount in ₹)

	As at 31st March 2021		As at 31st March 2020	
PROVISION FOR INCOME TAX	12261946		61141181	
LESS TDS AND TCS	1976450	10285496	1579650	59561531
<b>TOTAL</b>		<b>10285496</b>		<b>59561531</b>

### 19 REVENUE FROM OPERATIONS

(Amount in ₹)

	2020-21	2019-20
Sale of products	4172923360	4824536226
Less: Rebate & Discount	18716509	14396512
<b>TOTAL</b>	<b>4154206851</b>	<b>4810139714</b>

#### 19.1 PARTICULARS OF SALE OF PRODUCTS

(Amount in ₹)

	2020-21	2019-20
Kraft Paper	2222963509	2040530054
Writing & Printing Paper	1924332710	2747349411
Ash/Sludge or Others	19574659	30886370
Sale of iron scrap	6052482	5770391
<b>TOTAL</b>	<b>4172923360</b>	<b>4824536226</b>

#### 19.2 INFORMATION ABOUT MAJOR CUSTOMERS

No customer represents 10% or more of the Company's total revenue during the year ended 31st March 2021. (31st March 2020 :One)

## Notes on Financial Statements for the period ended 31st March, 2021

### 20 OTHER INCOME

	(Amount in ₹)	
	2020-21	2019-20
Interest Income	11628492	13259322
Duty Draw Back Incentive	-	1014914
Dividend Income	375	438
Profit on sale of fixed assets	589401	
Short & excess recoveries	6746	6345
MEIS Incentives	-	393692
PMRPY (BENEFIT)	222942	711572
<b>TOTAL</b>	<b>12447956</b>	<b>15386283</b>

### 21 COST OF MATERIALS CONSUMED

	2020-21		2019-20	
	Amount	Consumption Percentage	Amount	Consumption Percentage
Imported	231442884	8.10	396628654	12.29
Indigenous	2627537427	91.90	2830759874	87.71
<b>TOTAL</b>	<b>2858980311</b>	<b>100.00</b>	<b>3227388528</b>	<b>100.00</b>

#### 21.1 PARTICULARS OF MATERIAL CONSUMED

	2020-21		2019-20	
Raw Materials	1907228694		2050302991	
Fuel	513354852		625724467	
Chemicals	438396765	2858980311	551361070	3227388528
<b>TOTAL</b>		<b>2858980311</b>		<b>3227388528</b>

### 22 CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN PROCESS

	2020-21		2019-20	
Inventories (At close)				
- Finished Goods	40596717		75705065	
- Semi Finished Goods and Goods in process	49846600		73007000	
		90443317		148712065
Inventories (At commencement)				
- Finished Goods	75705065		148465815	
- Semi Finished Goods and Goods in process	73007000		53185500	
		148712065		201651315
<b>TOTAL</b>		<b>58268748</b>		<b>52939250</b>

## Notes on Financial Statements for the period ended 31st March, 2021

### 23 EMPLOYEE BENEFITS EXPENSE

	(Amount in ₹)	
	2020-21	2019-20
Bonus to Staff	1723206	1748312
Bonus to Workers	10640896	11180247
Contribution towards Gratuity Fund	10176504	11225775
Conveyance Allowance	54600	53400
News Paper & Periodical Allowance	917706	230224
Directors' Remuneration	74778000	74663000
E.D.L.I. Charges	1040287	1227928
E.S.I.	3500205	4090658
Labour & Staff Welfare	2524795	2938826
Leave Encashment	(14480654)	6679386
EPF & Administrative Charges	30122216	30698237
Production Staff Salaries	205547798	216916805
Salaries Adm. Staff	90972909	91666673
Wages	4367774	11395442
<b>TOTAL</b>	<b>421886242</b>	<b>464714913</b>

23.1 As per IND AS 19 "Employee benefits", the disclosures are given below:

#### Defined Benefit Plan

The employees' gratuity fund scheme managed by trust is a defined benefit plan. The present value of obligation is determined based on Actuarial Valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is determined based on Actuarial valuation using Projected Unit Credit Method

#### I) Reconciliation of opening and closing balances of Defined Benefit Obligation

(Amount in ₹)

	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2020-21	2019-20	2020-21	2019-20
Defined Benefit Obligation at the beginning of Year	113219503	91113987	31394445	25705098
Current service cost	8113980	9959663	1689628	4237891
Interest Cost	7834790	6970220	2172496	1966440
Past Service Cost	-	-	-	-
Actuarial (Gain)/Loss	(7384986)	7734400	(18342778)	475055
Benefits paid	(10415927)	(2558767)	(1782660)	(990039)
<b>Defined Benefit Obligation at the Year end</b>	<b>111367360</b>	<b>113219503</b>	<b>15131131</b>	<b>31394445</b>

#### II) Reconciliation of opening and closing balances of Fair Value of Plan Assets

(Amount in ₹)

	Gratuity (Funded)	
	2020-21	2019-20
Fair Value of Plan Assets at the beginning of year	94980713	74563499
Actual return on plan Assets	6842990	5725892
Employer Contribution	17438391	17250089
Benefits paid	(10415927)	(2558767)
<b>Fair Value of Plan Assets at year end</b>	<b>108846167</b>	<b>94980713</b>

## Notes on Financial Statements for the period ended 31st March, 2021

### 23 EMPLOYEE BENEFITS EXPENSE (contd.)

#### III) Reconciliation of Fair Value and Obligations

	(Amount in ₹)			
	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2020-21	2019-20	2020-21	2019-20
Fair Value of Obligation	111367360	113219503	15131131	31394445
Funded status/difference	(2521193)	(18238790)	(15131131)	(31394445)
Fair Value of Plan Assets at the end of the year	108846167	94980713	-	-
<b>Amount recognized in Balance Sheet</b>	<b>(2521193)</b>	<b>(18238790)</b>	<b>(15131131)</b>	<b>(31394445)</b>

#### IV) The charge to the statement of profit and loss comprises

	(Amount in ₹)			
	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2020-21	2019-20	2020-21	2019-20
<b>a) Employee Benefit Expenses:-</b>				
Current Service Cost	8113980	9959663	1689628	4237891
Past service cost	-	-	-	-
Interest Cost on defined benefits obligation	7834790	6970220	2172496	1966440
Interest Income on plan assets	(5772266)	(5704108)	-	-
Net Actuarial (Gain)/Loss	-	-	(18342778)	475055
<b>Net impact on profit before tax</b>	<b>10176504</b>	<b>11225775</b>	<b>(14480654)</b>	<b>6679386</b>

	(Amount in ₹)	
	Gratuity (Funded)	
	2020-21	2019-20
<b>b) Remeasurement of the net defined benefit plans:-</b>		
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain/(loss) for the year on PBO	7384986	(7734400)
Actuarial gain/(loss) for the year on Assets	270325	21784
<b>Net Impact on other Comprehensive income before tax</b>	<b>7655311</b>	<b>(7712616)</b>

#### V) Actuarial Gain/(loss) on plan assets

	(Amount in ₹)	
	Gratuity	
	2020-21	2019-20
Expected interest income	6572665	5704108
Actual Income on plan assets	6842990	5725892
<b>Actuarial gain/(loss) on plan assets during the year</b>	<b>270325</b>	<b>21784</b>

## Notes on Financial Statements for the period ended 31st March, 2021

### 23 EMPLOYEE BENEFITS EXPENSE (contd.)

#### VI) Actuarial (Gain)/loss on Obligation

(Amount in ₹)

	Gratuity		Leave Encashment	
	2020-21	2019-20	2020-21	2019-20
Actuarial (gain)/loss on arising from change in demographic assumption	-	56609	-	12719
Actuarial (gain)/loss on arising from change in financial assumption	-	6699164	-	2231650
Actuarial (gain)/loss on arising from change in experience adjustment	7384986	978627	(18342778)	(1769314)
<b>Actuarial (gain)/loss on plan assets during the year</b>	<b>7384986</b>	<b>7734400</b>	<b>(18342778)</b>	<b>475055</b>

#### VII) Investments Details

(Amount in ₹)

	% Invested	
	2020-21	2019-20
GOI Securities	-	-
Public Securities	-	-
State Government Securities	-	-
Insurance Policies	-	-
Others( including Bank Balances)	100	100
<b>TOTAL</b>	<b>100</b>	<b>100</b>

#### VIII) Actuarial Assumptions

(Amount in ₹)

	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2020-21	2019-20	2020-21	2019-20
Mortality Table(LIC)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Discounting rate (per annum)	6.92%	6.92%	6.92%	6.92%
Expected rate of return on Plan Assets( per annum)				
Kraft Paper Unit	7.65%	7.65%	-	-
Writing & Printing Paper Unit	7.65%	7.65%	-	-
Future salary Increase ( per annum)	5.50%	5.50%	5.50%	5.50%

The Estimates of salary growth rate is considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors on long term basis.

The discount rate is generally based upon the market yields available on Government Bonds at the accounting date with a term that matches that of the liabilities.



## Notes on Financial Statements for the period ended 31st March, 2021

### 24 FINANCE COSTS

	2020-21	2019-20
Interest on Working Capital	42084389	42087812
Interest on Term Loans	12665309	17665504
Bank Charges	2339584	5380486
Interest on Others	965392	3474951
<b>TOTAL</b>	<b>58054674</b>	<b>68608753</b>

### 25 OTHER EXPENSES

	2020-21	2019-20
<b>Manufacturing Expenses</b>		
Ash Clearing Expenses	-	2910781
Broke Shifting Charges	-	571479
Consumable Stores & Electric Repairs	77855429	82169965
E.T.P. Expenses	9069951	9747386
Job Work Charges	-	1241949
Land Rent Expenses	277806	168868
Packing Material Consumed	82858601	79989835
Power	213226260	247230820
Repairs to Building	9615079	11807077
Repairs to Machinery	87503181	92075016
Sheet Cutting Charges	-	4353399
Testing Charges	1276410	413487
Tractor Running & maintenance	4024248	3775517
	485706965	536455579
<b>Selling &amp; Distribution Expenses</b>		
Advertisement & Publicity	284911	1385972
Business/ Sales Promotion	229195	5689735
Commission Paid	23108764	23165892
Freight & Forwarding	6031332	3687446
	29654202	33929045
<b>Establishment Expenses</b>		
Directors' Meeting Fees	600000	500000
Travelling & Conveyance	3702142	8411366
Rent	373902	42000
Water & Electricity Expenses	184235	246030
Postage & Courier	373975	516530
Printing & Stationery	600577	742149
Corporate Social Responsibility (CSR)	9739649	6384988
Donation	223750	246000
Bad Debts	6511325	-
Telephone Expenses	1095099	1170075
Legal & Consultancy Expenses	4006567	3490857

## Notes on Financial Statements for the period ended 31st March, 2021

### 25 OTHER EXPENSES (contd.)

(Amount in ₹)

	2020-21	2019-20
Vehicle Running & Maintenance	2844462	5994247
Bus Running & Maintenance	1447449	2178373
Repairs & Maintenance others	5133046	4303425
Insurance	14108724	11140913
News Papers & Periodicals	40620	64623
Auditors Remuneration		
- Statutory Audit	240000	240000
- Internal Audit	600000	600000
- Cost Audit	70000	65000
- GST Audit	140000	70000
- Audit Expenses	240485	265670
Fees and Taxes	1881289	5666049
Filing Fee	13530	12160
Subscription	261615	389849
Training and Seminar Expenses	-	68000
Export Exps.	-	1274964
	54432441	54083268
<b>TOTAL</b>	<b>569793608</b>	<b>624467892</b>

### 25.1 VALUE OF STORES, CONSUMABLES AND PACKING MATERIAL CONSUMED

(Amount in ₹)

	2020-21		2019-20	
	Amount	Consumption Percentage	Amount	Consumption Percentage
Imported	13556702	5.46	12043883	4.74
Indigenous	234660509	94.54	242190933	95.26
<b>TOTAL</b>	<b>248217211</b>	<b>100.00</b>	<b>254234816</b>	<b>100.00</b>

### 25.2 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

(Amount in ₹)

	2020-21	2019-20
Raw Materials and Chemicals	175063484	304284539
Stores, Consumables and Packing materials	9030929	18460658
Plant & Machinery	65245612	56371611

### 25.3 PAYMENTS TO AUDITORS AS

(Amount in ₹)

	2020-21	2019-20
Statutory & Tax Audit Fees	240000	240000
Reimbursement of Expenses	5335	28970
Cost Audit Fees	70000	65000
<b>TOTAL</b>	<b>315335</b>	<b>333970</b>

## Notes on Financial Statements for the period ended 31st March, 2021

### 25 OTHER EXPENSES (contd.)

#### 25.4 EXPENDITURE IN FOREIGN CURRENCY:

	2020-21	2019-20
Royalty, know-how, professional and consultation fee	-	1146093
Interest and other matters	-	-
Foreign Travelling	-	-
Machinery Spares including Advances	11405063	20622524
Machinery Purchase	41370888	57198514

### 26 EARNINGS PER SHARE (EPS)

	2020-21	2019-20
i) Net Profit after tax as per Statement of profit and Loss attributable to Equity shareholders	49948085	273742402
ii) Weighted Average number of equity share used as denominator for calculating Basic EPS	24251804	24251804
iii) Basic Earning per share	2.06	11.29
iv) Weighted Average number of equity share used as denominator for calculating Diluted EPS as per treasury stock method	24251804	24251804
v) Diluted Earning per share	2.06	11.29
vi) Face Value per equity share	10.00	10.00

### 27 EARNINGS IN FOREIGN EXCHANGE

	2020-21	2019-20
FOB value of exports	737126	11490689

### 28 RELATED PARTY DISCLOSURES :

As per IND AS 24, the disclosure of transactions with the related parties are given below:

- i) List of related parties where control exists and related parties with whom transactions have taken place and relationship:

Name of Related Party	Relationship
Shri Umesh Chander Garg	
Shri Subhash Chander Garg	
Shri Jatinder Singh	Key Managerial Personnel
Shri Vipin Gupta	
Shri Vishav Sethi	
Shri Dalbir Singh	
Shri Avtar Singh Bajwa	
Shri Surinder Kumar Gupta	Independent Directors
Shri Swatantar Kumar Dewan	
MS Suhasini Yadav	
Sirmour Hotels Private Limited	Enterprises in which Key Managerial Personnel holds directorship
Jasmer Foods Private Limited	

## Notes on Financial Statements for the period ended 31st March, 2021

### 28 RELATED PARTY DISCLOSURES : (contd.)

Name of Related Party	Relationship
RPL Employees Gratuity Fund	Post Employment Benefits Plans
Ruchira Charitable Trust	Enterprises over which Key Managemt Personnel (KMP) is able to exercise significant influence or control
Ruchira Packaging Products Private Limited	
Ruchira Printing & Packaging	
Ruchira Green Earth Private Limited	
Jasmer Pack Limited	Enterprises of Relatives of Key Managerial Personnel
Jasmer Packer	
Well Pack Industries	
York Cellulose Private Limited	
Smt. Parveen Garg	
Sh. Deepan Garg	
Sh. Jagdeep Singh	
Sh. Dajeet Singh Mandhan	Relatives of Key Managerial Personnel holding office or place of profit.
Sh. Lucky Garg	
Smt. Ruchica G Kumar	
Sh. Atul Garg	
Ms. Radhika Garg	

- ii a) Transactions during the Period ended 31st March 2021 with related parties:  
( Excluding reimbursements )

	Sales of finished goods	Purchase of raw / packing material	Interest received on delayed payments	Closing Balance
Ruchira Packaging Products Private Limited	2240.23	254.98	2.13	116.73
	<i>2009.50</i>	<i>265.83</i>	<i>3.11</i>	<i>113.78</i>
Ruchira Printing & Packaging	69.26	222.59	-	(19.32)
	<i>72.23</i>	<i>173.50</i>	-	<i>(13.51)</i>
Jasmer Pack Limited	3149.31	312.19	21.97	695.81
	<i>3127.10</i>	<i>226.65</i>	<i>36.70</i>	<i>669.90</i>
Jasmer Packer	387.35	10.92	0.87	78.80
	<i>434.70</i>	<i>20.31</i>	<i>4.53</i>	-
Well Pack Industries	517.61	226.65	28.18	336.89
	<i>499.53</i>	<i>151.16</i>	<i>23.91</i>	<i>326.53</i>
Jasmer Foods Private Limited	0.09	0.90	-	(0.82)
	-	-	-	-
York Cellulose Private Limited	0.02	1.61	-	(0.68)
	-	<i>5.36</i>	-	<i>(2.40)</i>

Note :Figures in italic represents previous year's amount.

## Notes on Financial Statements for the period ended 31st March, 2021

### 28 RELATED PARTY DISCLOSURES : (contd.)

ii b) Transactions with Key Managerial Personnel:

(₹ in lakhs)

	Salary and Allowances		Reimbursements	
	2020-21	2019-20	2020-21	2019-20
Shri Umesh Chander Garg	230.40	230.40	4.25	9.84
Shri Subhash Chander Garg	230.40	230.40	5.52	11.22
Shri Jatinder Singh	230.40	230.40	8.40	22.84
Shri Vipin Gupta	56.58	55.43	1.21	1.45
Shri Vishav Sethi	14.90	14.90	0.50	0.40

ii c) Transactions with the Relatives of Key Managerial Personnel holding office or place of profit.

(₹ in lakhs)

	Salary and Allowances		Reimbursements	
	2020-21	2019-20	2020-21	2019-20
Smt. Parveen Garg	55.20	55.20	0.21	2.01
Sh. Deepan Garg	55.20	55.20	1.15	2.43
Sh. Jagdeep Singh	55.20	55.20	0.32	17.78
Sh. Daljeet Singh Mandhan	55.20	55.20	0.16	1.99
Sh. Lucky Garg	55.20	55.20	-	1.17
Sh. Atul Garg	55.20	55.20	-	5.28
Smt Ruchica G Kumar	55.20	55.20	0.37	2.77
Ms. Radhika Garg	55.20	55.20	0.07	0.48

ii d) Transactions with Independent Directors.

(₹ in lakhs)

	Sitting Fees		Reimbursements	
	2020-21	2019-20	2020-21	2019-20
Shri Dalbir Singh	1.20	1.00	-	-
Shri Avtar Singh Bajwa	1.20	1.00	-	0.02
Shri Surinder Kumar Gupta	1.20	1.00	-	0.02
Shri Swatantar Kumar Dewan	1.20	1.00	-	0.02
Ms. Suhasini Yadav	1.20	1.00	-	-

### 29 SEGMENT INFORMATION

Primary segment information:

The Company operates in only one main segment i.e. manufacturing of Paper

Secondary segment information:

(Amount in ₹)

	2020-21	2019-20
<b>Segment Revenue</b>		
India	4121741768	4740147941
Overseas	51181592	84388285
<b>TOTAL</b>	<b>4172923360</b>	<b>4824536226</b>

## Notes on Financial Statements for the period ended 31st March, 2021

### 30 CONTINGENT LIABILITIES AND COMMITMENTS

	(₹ in lakhs)	
	As at 31st March 2021	As at 31st March 2020
<b>Contingent Liabilities</b>		
(A) Claims against the Company/disputed liabilities not acknowledged as debts		
In respect of Excise Duty demand raised, which in the opinion of the Management are not tenable and are under appeal at Custom, Excise & Service Tax Appellate Tribunal, New Delhi.	Nil	Nil
(B) Guarantees		
Outstanding guarantees furnished to various banks in respect of the guarantees given by those banks in favour of various government authorities and others including Letters of Credits	151.99	129.99
<b>Commitments</b>		
(A) Estimated amount of contracts remains to be executed on capital account (Net of advances)	-----	-----

### 31 CORPORATE SOCIAL RESPONSIBILITY

- a. Gross amount required to be spent by the Company during the year is ₹97.39 Lakhs (Previous Year ₹111.21 Lakhs)
- b. Amount spent during the year on

Particular	31st March 2021		31st March 2020	
	Spent	Yet to Spent (Transferred to Unpaid CSR Account)	Spent	Yet to Spent
Construction/acquisition of any asset	Nil	Nil	Nil	Nil
On purpose other than above	49.57	47.83	63.85	Nil

The previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current year presentation.

## Notice

NOTICE is hereby given that the 41st ANNUAL GENERAL MEETING of Members of RUCHIRA PAPERS LIMITED will be held on Tuesday, 28th September 2021 at 12.00 PM through Video Conferencing (VC)/ Other Audio Visual means (OAVM) to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March 2021 together with the reports of Board of Directors and Independent Auditor's thereon.
2. To declare a dividend on equity shares for the financial year ended 31st March 2021.
3. To appoint a Director in place of Mr. Umesh Chander Garg (DIN: 01593400), who retires by rotation and, being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. **Approval for re-appointment and remuneration of Mr. Vipin Gupta as Whole Time Director designated as CFO & Executive Director of the Company and in this regard, to consider and, if thought fit, to pass the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 196,197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") 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 relevant provisions of Articles of Association of the Company, and other applicable Regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the members be and is hereby accorded for the re-appointment of Mr. Vipin Gupta (DIN: 05107366), as Whole Time Director designated as CFO & Executive Director of the Company, for the period of 5 (five) years with effect from 01st November 2021 to 31st October 2026, with his period of office shall be liable to determination by retirement of rotation.

**RESOLVED FURTHER THAT** approval of the members be and is hereby accorded for the payment of remuneration to Mr. Vipin Gupta for the period of 1 (One) Year with effect from 01st June 2021 to 31st May 2022 (this period of one year includes Five Month period i.e from 01st June 2021 to 31st October 2021 of current tenure) in excess of individual limit of 5% and overall limit of 10%, on such terms and conditions including remuneration, in case of absence of profits or if the Company has inadequate profits, as stated below:

- Basic Pay:  
₹4,10,000 /- P.M (w.e.f 01st June 2021 to 30th June 2021)  
₹4,60,000 /- P.M (w.e.f 01st July 2021 to 31st May 2022)
- HRA @ 15% per month of the Basic Pay.
- Telephone: Mobile/Telephone facility as per Company's rules.
- Leave encashment as per Company's rules.
- Conveyance: Company's Car with Driver for Official Use.
- Reimbursement of expenses incurred for the business of the Company as per Company's rules.  
In addition to the above remuneration, he shall also be entitled to the following benefits which shall not be counted for the purpose of Ceiling as per Section II of Part II of Schedule V.
- Employees' Provident Fund: Company's Contribution towards Employees' Provident Fund as per the Employees' Provident Fund Act.
- Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per provisions of payment of Gratuity Act, 1972.

Notwithstanding anything contrary contained herein, the Company will pay above remuneration as "minimum remuneration" as per the limits specified in paragraph (A) as laid down under Section II of Part II of Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** Board of Directors and/ or Nomination and Remuneration Committee be and is hereby further authorized to alter and vary the terms and conditions from time to time including designation subject to the applicable provisions of the Companies Act, 2013 and with in the overall limits approved by the Shareholders of the Company.

**RESOLVED FURTHER THAT** any one of the Directors of the Company and/or Company Secretary be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to this resolution."

5. **Ratification of remuneration of Cost Auditor for the financial year ending 31st March 2022 and in this regard, to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions 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), approval of the members be and is hereby accorded for ratification of remuneration of ₹70,000/- (₹Seventy Thousand Only) plus applicable taxes and out of pocket expenses payable to M/S Sanjay Kumar Garg & Associates, Cost Accountants, re-appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March 2022."

6. **Approval for Related Party Transaction(s) and in this regard, to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Company Act, 2013 ("Act") read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended till date, and other applicable Rules, if any, Regulation 23(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") and the Company's policy on Related Party Transactions, approval of the

members be and is hereby accorded to the Board of Directors of the Company to enter into Contract(s)/ Arrangement(s)/ Transaction(s), including any modifications, alternations or amendments thereto, with Tirlokpur Boards Private Limited, a related party within the meaning of section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase of Raw Material/Packing Material and sale of Finished Goods/Scrap/other by-product(s), on such term(s) and condition(s) as Board of Directors may deem fit, up to maximum aggregate value of ₹1.00 Crore (One Crore Only) each Financial Year for the period of Five Financial Years starting from 2021-22, provided that the said Contract(s)/Arrangement(s)/ Transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by above resolutions to any Director or to any Committee of Directors or any other executive(s)/ officer(s) of the Company or any other person as the Board at its discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings, etc as may be necessary to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the forgoing resolutions, be and are hereby approved, ratified and confirmed in all respects. "

Place: Kala-Amb (HP)  
Date: 13th August 2021

By order of the Board  
For **Ruchira Papers Limited**

**Registered Office:**  
Tirlokpur Road, Kala Amb  
Distt: Sirmaur, H.P-173030  
CIN: L21012HP1980PLC004336  
Website: www.ruchirapapers.com

**Vishav Sethi**  
Company Secretary



## NOTES:-

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 13 January 2021 and 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated 15 January 2021 and 12 May 2020 permitted the holding of the Annual General Meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, the AGM of the Company is being conducted through VC/OAVM.
2. THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act"), RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING IS ANNEXED HERETO.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 22nd September 2021 to Tuesday, 28th September 2021 (both days inclusive) for the purpose of payment of dividend and AGM for the year ended 31st March 2021.
4. If the dividend, as recommended by the Board of Directors is approved at the AGM, payment of such dividend will be made on or after Monday, 11th October 2021 as under:
  - a) To all the beneficial owners in respect of shares held in dematerialized form as per the data made available by the NSDL and CDSL as on the close of business hours on Tuesday, 21st September 2021;
  - b) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 21st September 2021;
5. The deemed venue for 41st AGM shall be the registered office of the Company.
6. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through their registered e-mail address to sanjay\_garg2001@yahoo.com with a copy marked to company at cs@ruchirapapers.com.
8. Brief details of the directors, who are seeking appointment/re-appointment, are annexed hereto as per requirements of regulation 36(3) of the Listing Regulations and Secretarial Standards-2 on General Meetings Issued by the Institute of Company Secretaries of India.
9. The facility of joining the AGM through VC/OAVM will be opened 30 minutes before and will remain open upto 15 minutes after the scheduled start time of the AGM, and will be available for 1,000 members on a first-come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors etc.
10. Institutional Investors, who are members of the Company are encouraged to attend and vote at the 41st AGM of the Company.
11. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
12. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Linkintime.

13. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2020-21 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated January 15, 2021 and May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2020-21 will also be available on the Company's website [www.ruchirapapers.com](http://www.ruchirapapers.com); websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, Link Intime India Private Limited for shares held in physical form, with relevant documents that may be required.
15. SEBI vide its notification dated 8 June 2018 as amended on 30 November 2018, has stipulated that w.e.f. 1 April 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form and requesting them to demat their physical holdings.
16. To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialize their shareholding to also avail of numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
17. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
18. The statutory documents of the Company and/or the documents referred to in this Notice shall be available for inspection by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect can send an email at [cs@ruchirapapers.com](mailto:cs@ruchirapapers.com).
19. For ease of conduct, members who would like to ask questions/express their views on the items of the businesses to be transacted at the meeting can send in their questions/comments in advance at [cs@ruchirapapers.com](mailto:cs@ruchirapapers.com) up to 25th September 2021 mentioning their name, demat account no./Folio no., e-mail Id, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
20. Pursuant to section 72 of the Act, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 (a copy of which is available on the website of the Company) with the Company's share transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.
21. Members who have not claimed/received their dividend paid by the Company in respect of earlier years, are requested to write to the Company and/or Company's Registrar and Transfer Agent, Link Intime India Private Limited (LI IPL). Members are requested to note that in terms of Section 125 of the Companies Act, 2013 any dividend unpaid / unclaimed for a period of 7 years from the date these first became due for payment, is to be transferred to the Central Government to the credit of the Investor Education & Protection Fund (IEPF). The details of the unclaimed dividends and the underlying shares that are liable to be transferred to IEPF are also available at the Company's website – [www.ruchirapapers.com](http://www.ruchirapapers.com). In view of this, members/claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). The unpaid interim dividend amount for the year

ended 31st March 2013, has already been transferred to Investor Education and Protection Fund on dated 15.05.2020.

22. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ Link Intime India Private Limited (LI IPL) (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode).
23. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source, by email to [cs@ruchirapapers.com](mailto:cs@ruchirapapers.com) by 06.00 PM (IST), 15th September 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [cs@ruchirapapers.com](mailto:cs@ruchirapapers.com). The aforesaid declarations and documents need to be submitted by the shareholders by 06.00 PM (IST), 15th September 2021.
24. For more details on shareholders' matters, please refer to the chapter on General Shareholder Information, included in the Annual Report.
25. Since the meeting will be conducted through VC/OAVM facility, the Route Map is not annexed in this Notice.
26. **VOTING THROUGH ELECTRONIC MEANS:** In compliance with the provisions of section 108 of the

Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by the Link Intime India Private Limited (LI IPL).

The facility for e-voting shall also be made available during the AGM and the members attending the AGM through VC/OVAM, who have not already cast their vote by remote e-voting, may exercise their right to vote during the AGM through the LI IPL portal.

The remote e-voting period begins on Saturday, 25th September 2021 (9.00 a.m) and ends on Monday, 27th September 2021 (5.00 p.m). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the close of working hours on Tuesday, 21st September 2021 ('Cut-off date') may cast their vote electronically. The remote e-voting module shall be disabled by LI IPL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again. The Voting rights of shareholder shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. Instructions for e-voting and joining the Annual General Meeting are as follows:

Pursuant to SEBI circular dated 9th December 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 post 9th June 2021. 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	<ul style="list-style-type: none"> <li>• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.</li> </ul>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<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.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• 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.</li> <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 NTIME, 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>
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>

Type of shareholders	Login Method
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.

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

- ♦ Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- ♦ 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 abovementioned 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.

**Process and manner for attending the Annual General Meeting through InstaMeet:**

- Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
  - Select the "Company" and 'Event Date' and register with your following details: -
    - Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
      - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
      - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
      - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
    - 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.
    - Mobile No.:** Enter your mobile number.
    - Email ID:** Enter your email id, as recorded with your DP/Company.
  - Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.



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

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance through email at [cs@ruchirapapers.com](mailto:cs@ruchirapapers.com).
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

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

Once the electronic voting is activated by the scrutinizer/ moderator 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 your 16 digit 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.

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 shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

#### **Other Instructions:**

- a) Mr. Sanjay Kumar Garg of M/S Sanjay Kumar Garg & Co, Cost Accountants, who has consented to act as the scrutinizer and is available for the purpose of ascertaining the requisite majority, has been appointed as the scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
- b) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast prior to the AGM) and make, not later than 48 hours of 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 counter sign the same.
- c) The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ruchirapapers.com](http://www.ruchirapapers.com) and on the website of Link Intime <https://instavote.linkintime.co.in> immediately. The Company shall simultaneously communicate the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

#### ITEM NO. 04

Mr. Vipin Gupta, Whole Time Director designated as CFO & Executive Director was firstly appointed as Whole Time Director w.e.f 01st November 2011 for the period of Five Years. Thereafter Mr. Vipin Gupta was re-appointed for the further period of five years w.e.f 01st November 2016 to 31st October 2021 at the AGM held on 30th September 2016. The remuneration payable to Mr. Vipin Gupta has been fixed annually. Considering the vast experience and deep knowledge of the business in which the Company operates and also contribution made by Mr. Vipin Gupta towards growth of the Company, the Board of Directors at their meeting held on 18th June 2021, on the recommendation of the Audit Committee and Nomination & Remuneration Committee approved the re-appointment of Mr. Vipin Gupta as Whole Time Director designated as CFO & Executive Director of the Company for the further period of Five years w.e.f 01st November 2021 up to 31st October 2026, subject to approval of the shareholders.

Further the Board of Directors at its meeting held on 18th June 2021 on the recommendation of Nomination and Remuneration Committee and Audit Committee has fixed the remuneration payable to Mr. Vipin Gupta for the further period of one year i.e w.e.f 01st June 2021 to 31st May 2022, subject to approval of the shareholders. (This period of one year includes five months period i.e from 01st June 2021 to 31st October 2021 of his current tenure). The detail of remuneration payable to Mr. Vipin Gupta has been mentioned in the Resolution Itself.

Brief particulars pursuant to Regulation 36(3) of the Listing Regulations and additional information to be given to Members in terms of Secretarial Standards on General Meetings (SS-2), of Mr. Vipin Gupta is given in the Annexure to the AGM Notice.

As per the proviso to Section 102(2) of the Companies Act, 2013, it is clarified that the proposed Resolution does not relate to or affect any other Company.

Information required to be disclosed under the Second Proviso to Section II(B), Part II of Schedule V of the Companies Act, 2013 is as follows:

- (i) the proposed remuneration has been approved by Nomination and Remuneration Committee and the Board;

- (ii) the Company has not defaulted in repaying any of its debts or interest payable for a continuous period of thirty days in the preceding financial year before the date of revision/re-appointment;
- (iii) a Special Resolution is being passed at the forthcoming Annual General Meeting for payment of the remuneration for a period not exceeding one year;
- (iv) a statement containing further information is set out in the Annexure to the Notice.

Except Mr. Vipin Gupta and his relatives to the extent of their shareholding, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company and/or their relatives is, in any way, concerned or interested financially or otherwise, in the aforesaid Special Resolution.

The Board recommends the passing of Special Resolution at Item No. 4 of this notice for approval of the members.

#### ITEM NO. 5:

The Board of Directors on the recommendation of the Audit Committee has approved the re-appointment and remuneration of M/S Sanjay Kumar Garg & Associates as Cost Auditors to conduct the audit of the Cost records of the Company for the financial year ending 31st March 2022.

In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, ratification by the members is sought for the remuneration payable to the Cost Auditors for the financial year ending 31st March 2022 by passing an Ordinary Resolution as set out at Item No. 5 of the Notice.

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

The Board recommends the passing of Ordinary Resolution at Item No. 5 of this notice for approval of the Members.

#### ITEM NO. 6:

Section 188 of the Companies Act, 2013 and the applicable Rules framed thereunder read with Regulation 23 of



SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, provide that transactions with Related Parties where the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statement of the Company shall be considered material and will require prior approval of shareholders through ordinary resolution.

Accordingly, transaction(s) with Tirlokpur Boards Private Limited ("TBPL") comes within the purview of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

The value of proposed aggregate transactions with TBPL is expected to be around ₹1.00 Crore (One Crore only) for each Financial Year for the period Five Years starting from 2021-22.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by the Company with TBPL.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions with TBPL are as follows:

S.No	Particulars	Remarks
01.	Name of Related Party	Tirlokpur Boards Private Limited
02.	Name of the director or KMP who is related.	Mr. Jatinder Singh, Mr. Umesh Chander Garg, Mr. Subhash Chander Garg, Mr. Vipin Gupta.
03.	Nature of Relationship	The above mentioned Directors of the Company and/or their relatives are the members/ shareholders of Tirlokpur Boards Private Limited.

S.No	Particulars	Remarks
04.	Nature, Material Terms, Monetary Value and particulars of the Contract or Arrangement	To enter into contract/ agreement/ arrangement for purchase of Raw Material/Packing Material and sale of Finished Goods/Scrap/ other by-product on actual basis, in the ordinary course of business and on arm's length basis up to maximum aggregate value of ₹1.00 Crore per financial year.
05.	Any other information relevant	The transactions shall be done in the ordinary course of business and on Arm's Length basis.

Except, Mr. Jatinder Singh, Whole Time Director, Mr. Umesh Chander Garg, Managing Director, Mr. Subhash Chander Garg, Whole Time Director, Mr. Vipin Gupta, CFO & Executive Director and their relatives to the extent of their shareholding, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company and/or their relatives is, in any way, concerned or interested financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends the passing of Ordinary Resolution at Item No. 6 of this notice for approval of the Members.

By order of the Board  
For Ruchira Papers Limited

Regd. Office: Tirlokpur Road, Kala Amb.  
Distt: Sirmaur (HP)  
Place: Kala-Amb  
Date: 13th August 2021

Vishav Sethi  
Company Secretary

## INFORMATION PURSUANT TO SS-2 OF SECRETARIAL STANDARDS ON GENERAL MEETING AND REGULATION 36(3) OF THE LISTING REGULATIONS REGARDING APPOINTMENT OR RE-APPOINTMENT OF THE DIRECTOR AND/OR FIXATION OF REMUNERATION AT THE FORTHCOMING ANNUAL GENERAL MEETING.

Name of Director	Mr. Umesh Chander Garg	Mr. Vipin Gupta
Director Identification Number	01593400	05107366
Category	Executive, Promoter	Executive, Professional
Nationality	Indian	Indian
Date of Birth	08.04.1949	25.05.1969
Date of re-appointment/first appointment	01.09.2020	01.11.2016
Brief Profile and Expertise in Specific functional area	<p>Mr. Umesh Chander Garg, aged 72 years is a Graduate and has been associated with Ruchira Papers Limited right from the conceptual stage. He is controlling day-to-day affairs of the Company as the Managing Director.</p> <p>He has been the key man in the selection of various machineries and all expansion projects were executed under his guidance. He has been looking after the Production, Maintenance and Technical aspects of the company.</p>	<p>Mr. Vipin Gupta aged 52 years, is Post Graduate in Commerce and has expertise in field of taxation, finance and accounting. He has been associated with the company since 1990 and looking after the affairs of the company as a Whole Time Director since November 2011. He has been looking after the Taxation, Finance, Accounting and day to day operations of Ruchira Papers Limited and has acquired rich experience.</p>
Chairman/ Member of committees of the Board of Companies of which he is a director	Ruchira Papers Limited: Member: Corporate Social Responsibility Committee.	Ruchira Papers Limited: Member: Corporate Social Responsibility Committee, Allotment Committee.
Shareholding as on 31.03.2021	1470455 Equity Shares.	22742 Equity Shares.
Last Remuneration Drawn (Including sitting fees, if any) paid as on 31.03.2021.	₹16.00 Lakh p.m. Plus 20% (HRA) plus other benefits as approved by Shareholders vide Special Resolution dated 25.09.2020. (For remuneration details, please refer Corporate Governance Report).	₹4.10 Lakh p.m. Plus 15% (HRA) plus other benefits as approved by Shareholders vide Special Resolution dated 25.09.2020. (For remuneration details, please refer Corporate Governance Report).
Terms and Conditions of Appointment/ Re-appointment	NA	As set out in the resolution at Item No. 04 of the Notice of the AGM.
Relationship with other Directors/KMP inter-se	Related to Mr. Subhash Chander Garg, Whole Time Director of the Company.	Nil
Number of Meeting of Board attended during the year and other directorship etc.	Please refer "Report on Corporate Governance" forming part of this Annual Report.	Please refer "Report on Corporate Governance" forming part of this Annual Report.

## STATEMENT PURSUANT TO PROVISION TO SCHEDULE V (PART II SECTION II (A) (CLAUSE IV)) OF THE COMPANIES ACT, 2013

### I. GENERAL INFORMATION

1. Nature of Industry	Paper Industry: The Company is engaged in the manufacturing of Kraft Paper and Writing & Printing Paper. The company's white writing & printing paper is used in the fabrication of note books and writing material; the coloured paper is used in the fabrication of spiral notebooks, wedding cards, shade cards, children's colouring books, and bill books etc. Kraft Paper finds its application in the packaging Industry especially for making Corrugated Boxes/Cartons and for other packaging requirements.																				
2. Date of commencement of commercial production	The Company is engaged in production of Kraft Paper since 1983 and of Writing and Printing Paper since 2008.																				
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable																				
4. Financial performance based on given indicators.	The Financial Results for the last three years are as follows:																				
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>2020-21 (₹ In Lakhs)</th> <th>2019-20 (₹ In Lakhs)</th> <th>2018-19 (₹ In Lakhs)</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>41542.07</td> <td>48101.40</td> <td>49399.04</td> </tr> <tr> <td>PBT</td> <td>618.12</td> <td>2513.61</td> <td>6241.93</td> </tr> <tr> <td>PAT</td> <td>499.48</td> <td>2737.42</td> <td>4023.50</td> </tr> <tr> <td>Dividend proposed/ Paid</td> <td>10.00%</td> <td>Nil</td> <td>22.50%</td> </tr> </tbody> </table>	Particulars	2020-21 (₹ In Lakhs)	2019-20 (₹ In Lakhs)	2018-19 (₹ In Lakhs)	Sales	41542.07	48101.40	49399.04	PBT	618.12	2513.61	6241.93	PAT	499.48	2737.42	4023.50	Dividend proposed/ Paid	10.00%	Nil	22.50%
Particulars	2020-21 (₹ In Lakhs)	2019-20 (₹ In Lakhs)	2018-19 (₹ In Lakhs)																		
Sales	41542.07	48101.40	49399.04																		
PBT	618.12	2513.61	6241.93																		
PAT	499.48	2737.42	4023.50																		
Dividend proposed/ Paid	10.00%	Nil	22.50%																		
5. Export Performance and Net Foreign Exchange Collection	During the year 2020-21, Foreign Exchange earnings were ₹7.37 Lakhs																				
6. Foreign investments or collaborators, if any.	Nil																				

### II. INFORMATION ABOUT THE APPOINTEE/ EXISTING MANAGERIAL PERSONNEL TO WHOM INCREASED REMUNERATION IS PROPOSED:

	<b>Mr. Vipin Gupta, CFO &amp; Executive Director</b>
1. Background Details	Mr. Vipin Gupta aged 52 years, is Post Graduate in Commerce and has expertise in field of taxation, finance and accounting. He has been associated with the company since 1990 and looking after the affairs of the company as a Whole Time Director since November 2011.  He has been looking after the Taxation, Finance, Accounting and day to day operations of Ruchira Papers Limited and has acquired rich experience.
2. Past Remuneration	₹4.10 Lakh P.M Plus 15% (HRA) plus other benefits as approved by the members' vide special resolution dated 25.09.2020
3. Recognition or awards.	-----
4. Job Profile and his suitability.	As per (1) above
5. Remuneration proposed.	As set out in the resolution at Item No. 04 of the Notice of the AGM.

	<b>Mr. Vipin Gupta, CFO &amp; Executive Director</b>
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).	The remuneration proposed to be paid to the Director is comparable with the remuneration being paid for similar assignments in the Industry.
7. Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any.	Beside the Remuneration Proposed no pecuniary relationship with the Company.

### III. OTHER INFORMATION:

1. Reasons of inadequate profits	During the Financial Year ended 31st March 2021, the Company did not have adequate profits for payment of managerial remuneration under section 197 and Schedule V of the Companies Act, 2013. During FY 21, the revenue was decline on account of decrease in production of writing and printing paper unit due to Lockdown Imposed by Central Government. Further Average Net Sales Realizations of Writing and Printing Paper also declined due to market sluggishness. Accordingly the remuneration proposed does not fall under the limits as specified under section 197 resulted inadequacies of profits during the F.Y. 2020-21.
2. Steps taken or proposed to be taken for improvement	The Company continued its growth journey through expansions and setting up of Writing & Printing Paper unit in 2008. The Company achieved turnover of ₹415.42 Crore during FY 2020-21 as against turnover of ₹481.01 Crore during the previous of FY 2019-20. During FY 21, the revenue was decline on account of decrease in production of writing and printing paper unit due to lockdown imposed by Central Government. Further the Company has taken several initiatives for improvement of efficiency parameters, and building a formidable branding position.
3. Expected increase in productivity and profits in measurable terms	During the FY-21 the Company achieved total production of 123974 MT as against production of 134048 MT in FY 20. The Production of the Kraft Paper Unit was 81709 MT as against production of 82453 MT in FY 20. The production of Writing and Printing Paper was 42265 MT as against production of 51595 MT in FY 20. The productions of both units are likely to increase in 2021-22. The revenue and profits are also likely to increase alongside with the production.

### IV. DISCLOSURE

1. Remuneration Package	Disclosure of the remuneration package is part of this notice being sent to shareholders.
2. Details of Fixed Component and performance linked incentives along with the performance criteria.	All components of the remuneration package are fixed. No performance linked incentives to be given.
3. Service Contracts, Notice Period, Severance fees etc.	For 5 years. Notice period-30 days
4. Stock Option Details if any.	N.A













*If undelivered please return to*  
Ruchira Paper Limited  
Tirlokpur Road, Kala Amb,  
Himachal Pradesh-173030