STAR PAPER MILLS LIMITED

SAHARANPUR - 247 001 (U.P.) INDIA
CIN No. :- L21011WB1936PLC008726
Phones : +91 132 6714101 to 6714105, FAX : +91 132 2714121
E-mail : star.sre@starpapers.com, Web : www.starpapers.com

DUNCAN GOENKA

C/SA/SE/190

3rd Oct., 2017

To,

The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai – 400 051
Symbol-'STARPAPER'

The Bombay Stock Exchange Ltd.
Phiroze Jeejebhoy Towers
Dalal Street
Mumbai – 400 001
Stock code-'516022'

Dear Sir,

Sub: Annual Report for the FY 2016-17

Please find attach herewith Annual Report of the company for the financial year 2016-17 pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annual Report for FY 2016-17 was adopted at the 78th AGM of the company held on 14th Sept., 2017.

For kind information and record please.

Kindly acknowledge the receipt.

Yours faithfully,
For STAR PAPER MILLS LIMITED

Saurabh Arora
Company Secretary

Encl:a/a

DUNCAN GOENKA



STAR PAPER MILLS LIMITED

ANNUAL REPORT 2016-17

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Forward Looking Statement

Statement in this report that describes the Company's objectives, projections, estimates, expectations or predictions of the future may be 'forward-looking statement' within the meaning of the applicable securities laws and regulations. The Company cautions that such statements involve risks and uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause difference include but are not limited to raw material cost or availability, demand and pricing in the Company's principal markets, changes in government regulations, economic developments within the countries in which the Company conducts business and other factors relating to the Company's operations, such as litigations, labour negotiations and fiscal regimes.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. G.P. Goenka

Executive Chairman

Mr. Shiromani Sharma

Mr. Shrivardhan Goenka

Mr. C.M. Vasudev

Mr. M.P. Pinto

Ms. Savita Laxmipathy Acharya

Mr. Madhukar Mishra

Managing Director

STATUTORY AUDITORS

M/s Lodha & Co.
Chartered Accountants
Kolkata

Mr. P.K. Agrawal
Chief Financial Officer

Mr. Saurabh Arora
Company Secretary

BANKERS

Bank of Baroda
Punjab National Bank

MILL

Saharanpur - 247001
(Uttar Pradesh)

REGISTERED OFFICE

'Duncan House', 2nd Floor, 31, Netaji
Subhas Road, Kolkata - 700 001
CIN:L21011WB1936PLC008726

REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Pvt. Ltd.
6th Floor, Karvy Selenium Tower-B
Plot No. 31 & 32, Gachibowli. Nanakramguda
Seri Lingampally, Hyderabad - 500 032,
(Telangana)
Ph: 040- 6716 1585 Toll Free: 1800-345-4001

MANAGEMENT DISCUSSION & ANALYSIS REPORT
FY 2016-17

GLOBAL ECONOMY

Global output grew steadily in line with previous year. This stable average growth rate, however, masks divergent developments in different country groups. There has been a stronger-than-expected pickup in growth in advanced economies, due mostly to a reduced drag from inventories and some recovery in manufacturing output. In contrast, there was an unexpected slowdown in some emerging market economies. The picture for emerging market and developing economies (EMDEs) remains much more diverse. The growth rate in China was a bit stronger than expected, supported by continued policy stimulus while activity was weaker than expected in some Latin American countries facing recession.

Oil prices have slightly increased recently, reflecting an agreement among major producers to trim supply.

The U.S. Federal Reserve raised short-term interest rates in December, as expected, but in most other advanced economies, the monetary policy stance has remained broadly unchanged.

INDIAN PAPER INDUSTRY

India is set to emerge as the world's fastest-growing economy ahead of China, as per the World Bank's recent report.

India has 17% of the world's population yet accounts for only about 3% of the world's production of paper and paperboard providing ample opportunities to the Industry. Indian Paper Industry has been growing along with the rising level of literacy, growth in organized retail and surging aspiration levels. Paper usage has increased over the years. Yet, the per capita consumption in the country is estimated to be barely 11 kgs as compared to Global average of 57 kgs. We expect the growth in paper consumption to remain steady in the near future.

SWOT ANALYSIS

Strengths:

There is no denying of fact that the Indian Pulp & Paper industry has the potential to play an important role in meeting the national objectives of Education, Literacy, and Employment Generation– that too in the rural areas. There is large and growing domestic paper market.

Weaknesses:

India's wood resources suitable for paper production are inadequate. Cost of wood is therefore higher in comparison to the rest of the world. Since there is absence of enabling policies favoring corporate plantation, securing future wood supplies is Industry's biggest challenge.

It is also a capital-intensive Industry impacted by domestic interest rates. Further highly skilled and job specific manpower are not easily available.

Opportunities:

For Indian paper industry, the demand drivers and growth triggers come from a combination of factors such as:

i) Growing per capita disposable income.

ii) Improving aspiration levels of the people.

iii) Expanding population.

iv) Widening spread of education and literacy throughout the country.

v) Increasing size of the service industry.

vi) Higher level of industrial activity and rising corporate spending.

Threats:

Our country is not cost competitive in fiber and energy prices- two main factors of production.

In addition, countries like Indonesia with very competitive input prices are able to export into India at zero duty under the FTA, thus exposing domestic Industry to unfair competition.

SOCIAL FARM FORESTRY

The Company's social farm forestry program has become an economic driver for re-generation of green cover. The program is of immense importance to the growth of rural economy and facilitate sustained availability of raw material to the company . During the year, the company further stepped-up propagation and distribution of plants and the area coverage with the help of farming community.

RISKS & CONCERN

Risk is associated with every kind of business. Some issues like competition from Imported paper, change in Government policies, Market risks etc. are associated with the company's operations. Your company regularly identifies the risks and undertakes appropriate measures to mitigate risk through risk identification and management.

INTERNAL CONTROL SYSTEM

The company continuously reviews Internal control systems and procedures to ensure conduct of business effectively and efficiently. Internal control system ensures:

a) Accurate recording of transactions with internal checks and prompt reporting.

b) Adherence to applicable accounting standards.

c) Periodic review to effectively manage working capital.

d) Review of capital investments and long term business plans.

e) Compliance with applicable statutes, policies and listing regulations.

f) Effective use of resources and safety of assets.

FINANCIAL PERFORMANCE

The company reported a better financial and operational performance vis-a-vis last financial year.

HUMAN RESOURCES

Your company recognizes human resources as its invaluable asset. The company regularly conducts need-based HR development programs at all levels. Relations between the Management and the labour were cordial throughout the year under review. There are 623 employees on the company's roll.

FUTURE OUTLOOK

With the expected increase in GDP, Indian paper industry can look forward to traction in demand. Other factors remaining same, your company will benefit from this trend.

FORWARD LOOKING STATEMENTS

This Report contains forward looking statements based upon the information available with the company, assumptions with regard to global economic conditions, Government policies etc. The company do not guarantee accuracy of the assumptions and perceived performance of the company in future. It is thus cautioned that the actual results may materially differ from those expressed or implied in the report.

DIRECTORS' REPORT

Dear Shareholders,

The Directors of your company are pleased to present the Directors' Report together with Audited Financial Results of the company for the year ended 31st March 2017.

1. FINANCIAL HIGHLIGHTS

Audited financial results for the year ended 31st March, 2017 are summarised below:

AUDITED FINANCIAL RESULTS

(Rs. in Cr.)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Profit before interest and depreciation	72.48	27.54
Interest and finance charges	1.27	2.55
Depreciation	4.12	4.25
Profit before Exceptional Items	67.09	20.74
Exceptional & non-recurring items	-	-
Profit before taxation	67.09	20.74
Provision for Income Tax	7.15	4.24
Profit after Tax (PAT)	59.94	16.50
Earning per shair (EPS)-in Rupees	38.40	10.57

2. DIVIDEND & TRANSFER TO RESERVES

In view of improved performance of the company for the financial year 2016-17, your Directors are pleased to recommend a dividend of Rs. 2/- per equity share subject to approval of the Shareholders at the ensuing Annual General Meeting of the company. No amount of profit for the year is required to be carried to General Reserve.

3. STATE OF THE COMPANY AFFAIRS

Review of operations 2016-17:

The year has been a testimony to our commitment to progress amidst challenges. Favourable demand-supply balance led to improvement in volumes for the year. Softness in wood prices during first half of the year coupled with Product-mix optimization and ongoing cost-reduction measures resulted in vastly improved financial performance.

Your company reported a Profit after tax of Rs 59.94 Crores vis-a-vis Rs. 16.50 Crores for FY 2015-16.

There is no change in the nature of the business of the company during the year. Further, no material changes and commitments have occurred after the close of the year till the date of this Report, which may affect the financial position of the Company.

Expectations For FY 2017-18 :

Wood and Energy prices exhibit a rising trend. These have been partially offset by increase in prices of some grades of paper. Challenges such as imports under FTAs, persistence of upward trend in input costs, GST and other regulatory changes will impact the business.

Your company will continue to strive for effective measures to meet these developments.

4. ANNUAL- RETURN EXTRACTS

Extracts of the Annual Return as provided in Section 92(3) of the Companies Act, 2013 in MGT-9 is attached as **Annexure-I**

5. BOARD MEETINGS/AUDIT COMMITTEE

a) During the financial year 2016-17 five (5) meetings of the Board of Directors were held on 25.05.2016, 10.08.2016, 14.09.2016, 11.11.2016, 10.02.2017.

b) Audit & Risk Management Committee-

The Company has the Audit & Risk Management Committee of the Board pursuant to Section 177 of the Companies Act, 2013 and its terms of reference are in conformity with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The composition of Committee is given in the Corporate Governance Report.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review is presented in a separate section forming part of the Annual Report for 2016-17.

7. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177 of the Companies Act, 2013, the company has established a 'Vigil Mechanism' for directors and employees to report their genuine concerns to the company. The company oversees this 'Vigil Mechanism' through the Audit & Risk Management Committee of the Board.

8. ENVIRONMENT, POLLUTION CONTROL AND SAFETY

Your company is committed to provide safe working conditions and healthy environment to all the stakeholders. Accredited with ISO 14001: 2004, ISO 9001 : 2008 and ISO 18001 :2007, your company has in place the integrated quality, environment & safety management systems to harmonize Industrial activities with environmental preservation. STAR has all necessary environmental clearances from the Government authorities.

Your company has been awarded Gold Award by Greentech Foundation, New Delhi for environmental excellence in Paper Industry during the year.

9. SOCIAL FARM FORESTRY

As in the past, your company continues to foster pulpwood plantations with active co-operation of the farmers. During the year a total of 318 lacs (last year 311 lacs) seedlings were distributed covering an area of 12712 hectare. Social Farm forestry leads to enhanced rural income beside easing pressure on raw material availability to the company.

10. FIXED DEPOSITS

The company has not invited any fixed deposits during the year and as such there has been no default in repayment of deposit or payment of interest thereon during the year. There were no outstanding fixed deposits as on 31st March, 2017. (Rs. Nil as on 31st March, 2016).

The company is in compliance with provisions of the Companies Act, 2013 and rules made thereunder in respect of deposits.

11. INTERNAL CONTROLS

The company has adequate internal control system in place on the basis of which financial accounting is done and periodically financial statements are prepared. Such Internal control systems are adequate and operating effectively.

12. REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your company has formulated and approved a Corporate Social Responsibility Policy (CSR Policy) indicating the CSR activities to be undertaken.The CSR Policy may be accessed on the Company's website at http://www.starpapers.com. The key philosophy of the Company's CSR initiative is to promote development through social and economic transformation.The composition of Committee is mentioned in the Corporate Governance Report.

The Report on CSR activities undertook during the year is annexed herewith marked as **Annexure II.**

13. DIRECTORS/KEY MANAGERIAL PERSONNEL

Pursuant to Section 152 of the Companies Act, 2013, Mr. Shrivardhan Goenka (DIN-00030375) shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The members in their last AGM held on 14th Sept., 2016 have re-appointed Mr. Madhukar Mishra (DIN-00096112) as Managing Director of the company w.e.f. 1st July, 2016 for a period of three years.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The company's familiarization program for Independent Directors are posted on the website of the company and can be accessed at http://www.starpapers.com/familarisation_prog.pdf. During the year, there was no change in the Key Managerial Personnel (KMP) of your company.

14. NOMINATION AND REMUNERATION COMMITTEE/POLICY

The Board of Directors has constituted a 'Nomination & Remuneration Committee' which follows the company's policy on directors' appointment and remuneration including criteria for determining qualification, positive attitudes, independence of a director and other matters provided under section 178 (3) of the Companies Act, 2013.

The gist of company's policy on nomination and remuneration is as under:

The Committee shall consider ethical standards of integrity, qualification, expertise and experience for appointment of Directors/KMP etc. and recommend to the Board of Directors. Directors/ KMP etc shall be appointed as per the procedure laid down in applicable laws.

The Committee will recommend the remuneration to be paid to Directors/KMP etc requiring Committee approval as per statutory provisions. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate the appointee(s).

15. LOAN, GUARANTEE, INVESTMENTS ETC.

The company has not given any loan or guarantee or provided security in connection with any loan to any other body corporate during the year.

16. SUBSIDIARY/JOINT VENTUE/ASSOCIATE COMPANIES

No company has become or ceased to be your company's subsidiary/joint venture/associate company during the year.

17. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars regarding energy conservation, technology absorption and foreign exchange earnings/outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are furnished as **Annexure-III** to this Report.

18. PARTICULARS OF EMPLOYEES AND REMUNERATION

Information in accordance with the provisions of Section 134(3)(q) and Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding employees' remuneration are given hereunder:

i) Name of the employee who is in receipt of remuneration of Rs. 60 lacs or more for FY 2016-17:

Name & Designation	Remuneration* recd.-(lacs)	Nature of employment	Qualification & experience	Date of commencement of employment	Age	Last employment held	% of equity shares held	Whether relative to director
Mr. G.P Goenka, Executive Chairman	228.19	Contractual	B. Sc. 56 years	20/05/2015	76 Y	Executive Director-Duncan Industries Ltd.	Nil	Yes, father of Mr. Shrivardhan goenka
Mr. Madhukar Mishra, Managing Director	201.62	Contractual	B. Sc., DMS (Mgt.) 39 years	01/07/2001	60 Y	Sr. VP(Corporate Planning) -Dail Consultants Ltd.	Nil	No

*including employer's provident fund contribution.

ii) Disclosure in respect of Remuneration etc.

a) Ratio of remuneration of each director to the median remuneration of employees

Director	Director remuneration (DR)- Rs.	Median remuneration (MR) of employee	Ratio (DR/MR)
MR. G.P. GOENKA	2,28,19,456	3,08,050	74.80
MR. SHRIVARDHAN GOENKA	20,000	3,08,050	0.06
MR. SHIROMANI SHARMA	3,00,000	3,08,050	0.97
MR. C.M. VASUDEV	2,20,000	3,08,050	0.71
MR. M.P. PINTO	1,20,000	3,08,050	0.39
MS. SAVITA L. ACHARYA	2,00,000	3,08,050	0.65
MR. MADHUKAR MISHRA	2,01,61,907	3,08,050	65.45

b) % increase in remuneration of each director, CEO, CFO, CS in the financial year 2016-17

Official name	Year 2016-17 Remuneration-Rs. in lacs	% increase in remuneration
Directors	Directors are receiving only sitting fees for attending meetings.	
Executive Chairman	228.19	117%
Managing Director	201.62	32%
Chief Financial Officer	25.19	7%
Company Secretary	8.95	1%

c) % increase in median remuneration of employees in the financial year 2016-17 was: 37%

d) Number of permanent employees on the rolls of the company as on 31.03.17 was 623.

e) Average increase in remuneration inter-alia depends upon the inflation, individual's performance, company policy, human resource demand-supply position, negotiations with trade unions, company performance etc.

f) Considering performance of the company, remuneration of KMPs i.e Executive Chairman and Managing Director was reasonable and justified.

g) A number of parameters of the company as on 31.03.2017 and 31.03.2016 as under:

Parameters	As on 31.03.2017	As on 31.03.2016
Market capitalization-Rs.	276.50 Crores	54.40 Crores
Closing price/share-Rs.	177.15 Crores	34.85 Crores
Price/ earnings ratio	4.61Crores	3.30 Crores
% change in market quotation of the share in comparison to rate at which last public offer was made (Rs. 60/per share)	195% increase in price	42% decrease in price

h) Average percentage increase in salaries of employees vis-a-vis managerial personnel - Average percentage increase in salaries of employees was 5% vis-a-vis 39 % increase in salary of managerial personnel for FY 2016-17.

i) No director is getting any variable component of remuneration except commission to Executive Chairman and performance pay to the Managing Director which are decided by the Board of Directors every year based on performance of the company, terms of appointment and applicable statutory provision. Remuneration is paid as per remuneration policy of the company.

j) Ratio of remuneration of highest paid director to that of employees receiving remuneration in excess of that of highest paid director-N.A

19. PERFORMANCE EVALUATION

The company has in place a Policy on performance evaluation of Independent Directors, Board, Committees and individual Directors. The Board of Directors evaluates its own performance in terms of operations of the company, financial results etc. The performance of Committee(s) is evaluated by the Board based on effectiveness of committee, its functioning and decisions etc. The Board also reviews the performance of individual director(s) based on the contribution of the individual director to the Board/ committee meetings, participation in discussion, inputs given in the meeting.

20. HUMAN RESOURCES AND WELFARE

Your company continues to lay emphasis on regular employee-skill development programs to address the changed working conditions and environment and also needs of the organisation. Your company enjoys cordial and harmonious relations with its employees at all levels.

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

21. DIRECTORS' RESPONSIBILITY STATEMENT

As required under the provisions of Section 134(3)(c) Directors Responsibility Statement on preparation and presentation of these accounts is as per **Annexure-IV** to this Report.

22. CORPORATE GOVERNANCE

A separate report on corporate governance, along with a certificate from the statutory auditors confirming the compliance with corporate governance requirements has been annexed as **Annexure-V** to Directors' Report.

23. AUDITORS

Pursuant to Section 139(2) of the Companies Act, 2013, M/s Lodha & Co. Chartered Accountants, shall retires at the ensuing Annual General Meeting. M/s Jain Pramod Jain & Co., Chartered Accountants, New Delhi have expressed their willingness to be appointed as statutory auditors of the company and have furnished the requisite declaration of their eligibility pursuant to the provisions of the Companies Act, 2013. The Directors' recommend the appointment of M/s Jain Pramod Jain & Co., Chartered Accountants, New Delhi at the ensuing AGM.

24. COST AUDITORS

Pursuant to Section 148(3) of the Companies Act, 2013 read with the Rules made thereunder, the Board of Directors on the recommendation of Audit & Risk Management Committee has appointed M/s R.J. Goel & Co., Cost Accountants, as the Cost Auditors of the Company for the financial year 2016-17.

25. AUDITORS' REPORT

i) Statutory Audit:

The observation of the Auditors in their report read with relevant note on the financial statements is self-explanatory.

ii) Secretarial Audit:

M/s D. Dutt & Co., company secretary in practice, secretarial auditor of the company has competed secretarial audit for FY 2016-17. Secretarial audit report is attached as **Annexure-VI.**

26. TRANSACTIONS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the company had not entered into any contract / arrangement / transaction with related parties which could be considered material. Information pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies(Accounts) Rules, 2014 are given in **Annexure-VII** in Form AOC-2 and the same forms part of this report.

27. RISK MANAGEMENT

The Company is having Risk Management framework covering identification, evaluation and control measures to mitigate the identified business risks.

28. LISTING ON STOCK EXCHANGES

Your company's equity shares are listed on National Stock Exchange of India Ltd. (NSE) and The Stock Exchange, Mumbai (BSE). The company has paid the listing fees to the stock exchanges for the financial year 2016-17.

29. ACKNOWLEDGEMENT

The Board of Directors place on record their gratitude for the excellent support and efforts put in by all the Stakeholders viz., employees, bankers, investors, dealers, suppliers and Government authorities.

For and on behalf of the Board

Place : New Delhi

Date : 25th May , 2017

G. P. Goenka

Executive Chairman

ANNEXURE-I

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L21011WB1936PLC008726
ii)	Registration Date	31-08-1936
iii)	Name of the Company	Star Paper Mills Limited
iv)	Category / Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	'Duncan House' 2nd Floor, 31, N.S Road, Kolkata – 700001. Tel: 033- 22427380 Fax:1 033- 22427383
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited 6th Floor, Karvy Selenium Tower B Plot 31-32, Gachibowli, Financial District Nanakramguda, Hyderabad – 500 032 Tel: 040- 67161585 Toll Free No:1800 345 4001 Fax: 040-23001153

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company

Sl. No.	Name and description of main products/ services	NIC code of Product	% of total turnover of the company
1	Paper	170-Manufacture of paper and paper products	98.87%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATECOMPANIES

Sl. No.	Name and address of the company	CIN	Holding/Subsidiary/Associate	% of share held	Applicable section
1	ISG Traders Ltd.	L51909WB1943PLC011567	STAR is associate of ISG Traders Ltd.	34.28% -shares in STAR held by ISG Traders Ltd.	2(6)

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)

i) Category-wise Share Holding as per Attachment -A

ii) Shareholding of Promoters as per Attachment-B

iii) Change in Promoters' Shareholding as per Attachment-C

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as per Attachment-D

v) Shareholding of Directors and Key Managerial Personnel As per Attachment-E

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as per Attachment-F

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -as per Attachment G.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES -There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

ATTACHMENT-A

I. Category-wise shareholding

CATE-GORY CODE	CATEGORY OF SHAREHOLDER	No. of shares held at the beginning of the year- as on 01.04.2016				No. of shares held at the end of the year -as on 31.03.2017				% change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of total shares	
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	45500	0	45500	0.29%	45500	0	45500	0.29%	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00%	0	0	0	0.00%	0.00
(c)	Bodies Corporate	8236219	300	8236519	52.77%	7210244	300	7210544	46.20%	-6.57%
(d)	Financial Institutions / Banks	0	0	0	0.00%	0	0	0	0.00%	0.00
(e)	Others	0	0	0	0.00%	0	0	0	0.00%	0.00
	Sub-Total A(1) :	8281719	300	8282019	53.06%	7255744	300	7256044	46.49%	-6.57%
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0		0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0		0	0	0	0.00	0.00
(c)	Institutions	0	0	0		0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0		0	0	0	0.00	0.00
(e)	Others	0	0	0		0	0	0	0.00	0.00
	Sub-Total A(2) :	0	0	0		0	0	0	0.00	0.00
	Total A=A(1)+A(2)	8281719	300	8282019	53.06%	7255744	300	7256044	46.49%	-6.57%
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds	0	1510	1510	0.01%	0	1510	1510	0.01%	0
(b)	Financial Institutions /Banks	1071	1835	2906	0.02%	33527	1835	35362	0.23%	0.21%
(c)	Central Government / State Government(s)	0	0	0	0.00%	0	0	0	0.00%	0
(d)	Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0
(e)	Insurance Companies	558367	300	558667	3.58%	100250	300	100550	0.64%	-2.94%
(f)	Foreign Institutional Investors	0	0	0	0.00%	0	0	0	0.00%	0
(g)	Foreign Venture Capital Investors	0	0	0	0.00%	0	0	0	0.00%	0
(h)	Foreign Portfolio Investor	0	0	0	0.00%	38529	0	38529	0.25%	0.25%
(i)	Others-Foreign Nationals	230	460	230	0.00%	690	0	690	0.00%	0.00%
	Sub-Total B(1) :	559668	4105	563313	3.61%	172996	3645	176641	1.13%	-2.48%
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	694521	11941	706462	4.53%	1303324	11841	1315165	8.43%	3.90%
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.2 lacs	3328276	182480	3510756	22.49%	3802928	174523	3977451	25.48%	2.99%
	(ii) Individuals holding nominal share capital in excess of Rs.2 lacs	2454086	0	2454086	15.72%	2540667	0	2540667	16.28%	0.55%
(c)	Others:									
	Clearing members	9439	0	9439	0.06%	195270	0	195270	1.25%	1.19%
	Non Resident Indians	80585	280	80865	0.52%	145082	280	145362	0.93%	0.41%
	Trusts	0	0	0	0.00%	0	0	0	0.00%	0.00%
	NBFC registered with RBI	950	0	950	0.01%	1750	0	1750	0.01%	0.01%
	Sub-Total B(2) :	6567857	194701	6762558	43.33%	7989021	186644	8175665	52.38%	9.06%
	Total B=B(1)+B(2) :	7127525	198806	7325871	46.94%	8162017	190289	8352306	53.51%	6.58%
	Total (A+B) :	15409244	199106	15607890	100.00%	15417761	190589	15608350	100.00%	0.00%
(C)	Shares held by custodians, against which									
	Depository Receipts have been issued									
(1)	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(2)	Public	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A+B+C) :	**15409244**	**199106**	**15607890**	**100.00%**	**15417761**	**190589**	**15608350**	**100.00%**	**0.00**

ATTACHMENT-B

ii) Shareholding of Promoters

Sr. No.	Shareholders' name	Shareholding at beginning of the year-01.04.2016			Shareholding at the end of the year-31.03.2017			
		No. of Shares held	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares held	% of total shares of the company	% of shares pledged/encumbered to total shares	% change in shareholding during the year
1	ISG TRADERS LIMITED	5350319	34.28	17.33	5174344	33.15	18.45	-1.13
2	ALBERT TRADING COMPANY PRIVATE LIMITED	905200	5.80	0	905200	5.80	0	0.00
3	SILENT VALLEY INVESTMENTS LIMITED	771000	4.94	2.08	621000	3.98	1.12	-0.96
4	BOYDELL MEDIA PRIVATE LTD	700000	4.48	4.48	0	0.00	0.00	-4.48
5	CONTINUOUS FORMS (CALCUTTA) LTD	510000	3.27	3.20	510000	3.27	3.20	0.00
6	SHRIVARDHAN GOENKA	45500	0.29	0	45500	0.29	0	0.00
	Total	**8282019**	**53.06**	**27.10**	**7256044**	**46.49**	**22.77**	**-6.57**

ATTACHMENT-C

iii) Change in Promoters' shareholding

Sr. No.		Shareholding at beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	8282019	53.06	8282019	53.06
2	(-) Pledged shares invoked by the lender on 15.03.2017	-1000000	-6.41	7282019	46.65
3	(-) Pledged shares invoked by the lender on 31.03.2017	-25975	-0.16	7256044	46.49
4	**At the end of the year**	**7256044**	**46.49**	**7256044**	**46.49**

ATTACHMENT-D

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Top 10 Shareholders*	Shareholding at beginning of the year-01.04.2016		Cumulative Shareholding at the end of the year 31.03.2017	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Santosh Sitaram Goenka	360737	2.31%	369896	2.37%
2	Sunita Santosh Goenka	343769	2.20%	335269	2.15%
3	Supriya Santosh Goenka	254692	1.63%	254692	1.63%
4	Abhay Krishi Udyog Private Limited	262746	1.68%	239523	1.53%
5	Anil Kumar Goel	67500	0.43%	213440	1.37%
6	Muktilal Ganulal Paldiwal	280316	1.80%	144601	0.93%
7	General Insurance Corporation of India	558117	3.58%	100000	0.64%
8	Dinesh Muktilal Paldiwal	187494	1.20%	98333	0.63%
9	Akhilesh Ankala	0	0.00%	94620	0.61%
10	Shashi Gupta	0	0.00%	90253	0.58%

*The shares of the Company are traded on a daily basis and hence the date wise increase / decrease inshareholding is not indicated.

ATTACHMENT-E

v). Shareholding of Directors and Key Managerial Personnel (KMP)

Sr. No	Name of Director/KMP	Shareholding at beginning of the year-01.04.2016		Cumulative Shareholding at the end of the year 31.03.2017	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mr. Shrivardhan Goenka-Director	45500	0.29%	45500	0.29%

Note-There is no change in Director's Shareholding between 01.04.2016 to 31.03.2017

ATTACHMENT-F

vi). Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Rs in Lacs)

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.16				
i. Principal Amount	300.09	363.24	-	663.33
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	135.57	-	135.57
Total (i+ii+iii)	**300.09**	**498.81**	**-**	**798.90**
Change in indebtedness during the financial year				
-Addition	-	-	-	
-Reduction	-188.56	-0.86	-	-189.42
Net Change	-188.56	-0.86	-	-189.42
Indebtedness at the end of the financial year 31.03.17				
i. Principal Amount	111.53	313.24	-	424.77
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	184.71	-	184.71
Total (i+ii+iii)	**111.53**	**497.95**	**-**	**609.48**

ATTACHMENT-G

vii). Remuneration Of Directors And Key Managerial Personnel

a. Remuneration to Managing Director, Whole-time Directors and / or Manager:

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amt.
		Mr. G.P. Goenka, Executive Chairman	Mr. Madhukar Mishra, Managing Director	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	89.74	168.91	258.65
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	5.53	27.62	33.15
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission-- as % of profit	125.00	-	125.00
5	Others	7.92	5.09	13.01
	Total (A)	228.19	201.62	429.81
	Ceiling as per the Act	5% of net profits as per Sec. 198 of the Companies Act, 2013	5% of net profits as per Sec. 198 of the Companies Act, 2013	

b. Remuneration to other directors:

Independent Directors and non-executive directors are only paid sitting fees for attending Board /committee meetings. Kindly refer 'Corporate Governance Report' for de tails of sitting fees paid to Independent Directors and non-executive directors during the FY 2016-17.

c. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Rs in Lacs)

Sr. No.	Particulars of Remuneration	Mr. P.K. Agrawal-Chief Financial Officer	Mr. Saurabh Arora-Company Secretary
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	3.66	2.14
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	6.03	2.10
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission-as % of profit	-	-
5	Others	15.49	4.71
	Total	**25.18**	**8.95**

For and on behalf of the Board

Place : New Delhi
Date : 25th May , 2017

G. P. Goenka
Executive Chairman

ANNEXURE -II

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2016-17

1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the Policy and projects or programs and the composition of CSR Committee.	Please refer to Section Corporate Social Responsibility (CSR) in the Directors' Report.
2. Average net profit of the Company for last three financial years	Rs. 194.90 lacs
3. Prescribed CSR Expenditure (two percent of the amount mentioned in item 2 above)	Rs. 3.90 lacs
4. Details of CSR spent during the financial year:	Rs. 23.75 lacs
-Total amount spent for the financial year	
-Amount unspent, if any	Not Applicable
Manner in which the amount spent during the financial year	Details given below

DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2016-17

Sr.	CSR project or activity identified	Sector in which Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and District where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount outlay (budget)project or program wise Sub heads (1) Direct xpenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing Agency
1	-Donation for building infrastructure for Charitible education foundation with purpose of educating weaker section of the Society. -Installation of Solar Lights in the city	a. promoting education, including special education b. Ensuring environmental sustainability/ ecological balance	Delhi/UP	Rs. 20.00 lacs Rs. 3.75 lacs	(1) Rs. 23.50 lacs (2) 0.25 lac	Rs. 23.75 lacs	-Thru Somani Research & Education Foundation, New Delhi. -Direct

Responsibility Statement:

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and Policy of the Company.

Madhukar Mishra
Managing Director
25th May, 2017

Shrivardhan Goenka
Chairman, CSR Committee

ANNEXURE-III

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as under:

A. PARTICULAR WITH RESPECT TO CONSERVATION OF ENERGY

I) The Company has taken the following steps for conservation of energy:

i) Optimization of paper machine vaccum system resulting in stoppage of vaccum pumps of 275 HP capacity.
ii) Stoppage of Bleach plant Centri cleaners.
iii) Installation of high eficiency showers.
iv) Installation of cooling tower for re-cycling the hot water.
v) Transfer of pulp from pulp mill to paper machine on medium consistency.
vi) Installation of energy efficient Aerators resulting in saving of 500 units per day.
vii) Installation of high pressure energy efficient pumps resulting in saving of 1,200 units per day.
viii) Replacement of conventional lights with LED resulting in saving of 600 units per day.
ix) Optimization of steam in pulp mill resulting in steam saving of 18 MT per day.
x) Rationalization of power sources to reduce overall power cost in the plant.

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

i) Modification in Boiler to improve its efficiency.
ii) Implementation of suggestions given in Energy Audit Report of Steam and Power.

III) The above projects given in a) involved a cost of approximately Rs. 105 lacs. Impact of measures I. and II. above for reduction of energy consumption and consequent impact on the cost of production of goods.

i) Reduction in energy cost
ii) Reduction in fresh water consumption

IV) Steps teken for utilising alternate sources of energy:

The following project is in the pipe line expected to the completed in the next year : -

Installation of Bio-Gassification plant for lime kiln.

B. TECHNOLOGY ABSORPTION:

I) RESEARCH AND DEVELOPMENT (R&D)

Department of Science and Industrial Research (DSIR), Ministry of Science and Technology, Government of India recognizes our in-house Research & Development (R&D) Department. Your company has undertaken the following R & D activities during the FY 2016-17:

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

a) Development of new varieties.
b) Pulping of new species of fibrous raw material.
c) Substitution of Dyes to improve quality and reduce cost.
d) Optimization of water re-cycling.

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

a) Potential to access new market segments.
b) Inclusion of new varieties of fibrous raw material for making pulp.
c) Improvement in the quality of existing products and cost reduction.
d) Reduction in fresh water consumption.

3. Future Plan of Action

a) Further optimization of water consumption to reduce fresh water consumption.
b) Adaption of technology/ equipment to save fiber.

4. Expenditure on R&D-

		Rs. in lacs
a)	Capital	Nil.
b)	Revenue	86.48
c)	Total	86.48
d)	R&D Expenditure as a percentage of total Turnover	0.27%

II) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

Efforts made, in brief, towards Technology absorption, adaptation & innovation and Benefits derived are as under :

a) Installation of online stack monitoring system.

b) Replacement of four old Aerators with new energy efficient Aerators.

III) INFORMATION RELATED TO IMPORTED TECHNOLOGY

(a)	Technology imported	NIL
(b)	Year of import & country	NIL
(c)	Has technology been fully absorbed?	N.A
(d)	If not fully absorbed, areas where it has not taken place, reasons there for and future plans of action.	N.A

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings - Rs.317.76 lacs

Outgo - Rs. 275.00 lacs

For and on behalf of the Board

Place : New Delhi
Date : 25th May , 2017

G. P. Goenka
Executive Chairman

ANNEXURE-IV

DIRECTORS' RESPONSIBILITY STATEMENT

As required under the provisions of Section 134(5) of the Companies Act, 2013 the Board wishes to confirm that:

1. In preparation of accounts, applicable accounting standards have been followed.
2. Such accounting policies as were reasonable and prudent were selected in preparing the accounts and these were applied consistently. Further judgements and estimates that were reasonable and prudent were also made in the course of preparing the accounts so as to give a true and fair view of the Compa ny's state of the affairs as at the end of the financial year and its profit for financial year ended 31st March, 2017.
3. Proper and sufficient care was taken for the maintenance of proper accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
4. The accounts have been prepared on going concern basis.
5. The directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively.
6. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and with laid down internal financial controls to be followed by the company and such system are adequate and operating effectively.

For and on behalf of the Board

Place : New Delhi
Date : 25th May , 2017

G. P. Goenka
Executive Chairman

ANNEXURE-V
CORPORATE GOVERNANCE REPORT

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

The Directors of your company are pleased to present Corporate Governance Report for the year ended on 31st March , 2017.

I. Company's philosophy on Corporate Governance

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency and accountability, in all facets of its operations so that Company's goal of creation and maximisation of wealth of the stakeholders could be achieved. Your company is committed to achieve and maintain the highest standards of Corporate Governance. Over the years, governance processes and systems have been strengthened within the organization and corporate governance has been an integral part of the business of the company.

II. Board of Directors

The Board of Directors of your company oversees the functions of the organization and ensures that it continues to operate in the best interests of the stakeholders.

a) Composition

The Board of Directors has an appropriate mix of Executive and Independent directors to maintain the independence of the Board. In totality, the Board have Seven (7) directors including 'Executive Chairman' and the Managing Director. Besides, the Board has four (4) Non-executive Independent directors and one (1) Non-executive, non-Independent director.

The following is the composition of the Board of Directors as on 31st March , 2017.

Director	Category of Director	Total No. of Directorships in other companies (*)	Total No. of Memberships/ Chairmanships of Committees in other companies (**)
Executive Director			
Mr. G.P. Goenka	Executive Chairman /Promoter	5	1
Mr. Madhukar Mishra***	Managing Director	Nil	Nil
Non - Executive Directors			
Mr. Shrivardhan Goenka	Non-executive; non-independent Director	4	1
Mr. Shiromani Sharma	Independent Director	2	2
Mr. C.M. Vasudev	Independent Director	6	4
Mr. M.P. Pinto	Independent Director	5	7
Ms. Savita Laxmipathy Acharya	Independent Director	6	8

* excludes Directorships in Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013, memberships of Managing Committees of various Chambers/Bodies and Alternate Directorships.

** represents Memberships / Chairmanships of Audit Committee & Stakeholders' Relationship Committee only.

*** Re-appointed as Managing Director of the company w.e.f 1st July, 2016.

There is no relationship between the directors of the company except that Mr. Shrivardhan Goenka is son of Mr. G.P. Goenka and as such they are related to each other. The company's familiarization program for Independent Directors are posted on the website of the company and can be accessed at http://www.starpapers.com/familarisation_prog.pdf.

The Directors' performance evaluation criteria is given in the Directors' Report.

b) Meetings and Attendance

During the year ended 31st March, 2017, five (5) meetings of the Board of Directors were held on 25th May, 2016, 10th Aug., 2016, 14th Sept., 2016, 11th Nov., 2016, 10th Feb., 2017.

Attendance of Directors at Board Meetings and Last Annual General Meeting

Director (Name)	No. of Board Meetings attended	Attendance at last Annual General Meeting Yes /No	No. of shares held in the company
Mr. G.P. Goenka	5	Yes	Nil
Mr. Shiromani Sharma	5	Yes	Nil
Mr. S.V. Goenka	1	Yes	45,500
Mr. C.M. Vasudev	5	Yes	NIL
Mr. M.P. Pinto	4	Yes	Nil
Ms. Savita Laxmipathy Acharya	5	Yes	Nil
Mr. Madhukar Mishra	5	Yes	Nil

A meeting of Independent Directors held on 14th Sept., 2016 for the financial year 2016-17. All Independent Directors were present at the meeting.

III. Code of Conduct

A code of Conduct for all its Board members and senior management personnel for avoidance of conflict of interest has been laid down and is available on the company's website. Necessary declarations affirming compliance have been received for the financial year ended on 31st March, 2017. There were no material personal interest/personal benefits received by the Board members/senior management personnel, which could lead to potential conflict of interest with the Company as a result of their position.

IV. Committees of the Board

The Board of Directors has the following Committees for better and more focused attention to the affairs of the Company before placing the same before the Board –i) Audit & Risk Management Committee; ii) Stakeholders' Relationship Committee; iii) Nomination and Remuneration Committee; iv) Corporate Social Responsibility (CSR) Committee.

a) Audit & Risk Management Committee

The Board of Directors has 'Audit & Risk Management Committee' and its role and terms of reference are in conformity with Section 177 of the Companies Act, 2013 are SEBI Listing Regulations, 2015. On occasions statutory auditors, Internal auditors and cost auditors are invited to the Committee meetings. Besides, it assists the Board in overseeing and approving the company's risk management framework. The company secretary acts as the secretary to the committee.

Composition

The composition of the Committee as on 31st March, 2017 is as under :

Sl. No.	Name of the Director & Designation	Category	No. of meetings attended during FY 2016-17
1	Mr. Shiromani Sharma- Chairman	Non- executive, Independent	4
2	Mr. C.M Vasudev-Member	Non- executive, Independent	4
3	Mr. Shrivardhan Goenka-Member	Non- executive, non-Independent	0
4	Ms. Savita Laxmipathy Acharya - Member	Non- executive, Independent	4

During the financial year ended 31st March, 2017, four (4) Committee meetings were held on on 25th May, 2016, 10th Aug., 2016, 11th Nov., 2016, 10th Feb., 2017.

b) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee redresses shareholder/ investor grievances like non-receipt of Annual Report, dividend etc., approves transfer/ transmission/ sub-division/consolidation of shares, issue of duplicate share certificate , de-materialization/re-materialization of shares etc. The company secretary acts as the secretary to the committee.

Composition

The composition of the Committee and details of its meeting(s) held during the FY 2016-17 are as under :

Sl. No.	Name of the Director & Designation	Category	No. of meetings held/ attended during FY 2016-17
1.	Mr. Shiromani Sharma - Chairman	Non- Executive, Independent	4
2.	Mr. Madhukar Mishra-Member	Executive	4

Mr. Saurabh Arora, Company Secretary, is the Compliance Officer of the company.

Shareholders Complaint(s)

During the year, ten (10) shareholders' complaints were received and all the complaints were resolved to the satisfaction of shareholders. There is no pending complaint at the end of the year.

c) Nomination & Remuneration Committee

A Nominations and Remuneration Committee has been constituted to discharge functions envisaged under section 178 of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015

Composition

The composition of Nomination & Remuneration Committee and details of its meeting(s) held during the FY 2016-17 are as under :

Sl. No.	Name of the Director & Designation	Category	No of meetings held during the year 2016-17	
			Held	Attended
1	Mr. C.M. Vasudev- Chairman	Non- Executive, Independent	1	1
2	Mr. Shiromani Sharma - Member	-do-	1	1
3	Mr. M.P. Pinto-Member	-do-	1	1

d) Corporate Social Responsibility (CSR) Committee

Your company is committed to its social responsibilities. Under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the company has constituted Corporate Social Responsibility (CSR) Committee. The composition of the Committee is as under:

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

v. Remuneration of Directors

Remuneration-package of Executive Director(s) is determined and recommended by the remuneration committee and approved by the Board of Directors and the shareholders. Remuneration of Non-Executive Directors is restricted to sitting fees for attending meetings of the Board and sub-committees of the Board. The details of remuneration of the directors for the financial year ended 31st March, 2017 are as under:

(Rs.)

Director	Salary#	Perquisites and other benefits##	Sitting Fees	Total
Mr. G.P. Goenka	2,14,75,061	13,44,395	-	2,28,19,456
Mr. Shiromani Sharma	-	-	3,00,000	3,00,000
Mr. S.V. Goenka	-	-	20,000	20,000
Mr. C.M. Vasudev	-	-	2,20,000	2,20,000
Mr. M.P. Pinto	-	-	1,20,000	1,20,000
Ms. Savita L. Acharya	-	-	2,00,000	2,00,000
Mr. M. Mishra	1,68,89,439	32,72,468	-	2,01,61,907
Total			**8,60,000**	**4,38,41,363**

Salary includes allowances, performance pay and commission on net profits, if any. Performance pay and/or commission is/are decided by the Board based on yearly performance review.

Perquisites and other benefits include company's contribution to Provident Fund but exclude contribution to Gratuity Fund.

None of the directors except Mr. S.V Goenka (45,500 equity shares) holds any shares in the company. Except above, no non-executive director had any pecuniary relationship or transactions with the company.

Service contracts, severance fees, notice period, stock option etc.

The appointment of the Executive Director(s) is governed by resolutions passed by the Nominations & Remuneration Committee, the Board of Directors and the Shareholders of the company which covers the terms and conditions of such appointment.

There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors. Statutory provisions however will apply in case of severance of service. The appointments are terminable by six months' notice from either side.

The company has not given any stock option scheme to the directors/employees.

VI. The company has no subsidiary or holding company.

VII. Disclosures

There were no materially significant related party transactions which may have potential conflict with the interest of the company at large. All related party transactions during the year under reference were in the ordinary course of business and on arm's length basis. The policy on dealing with related party transactions can be accessed at http://starpapers.com/policyparty.pdf & policy on material subsidiary can be accessed at http://starpapers.com/Policymaterial.pdf.

The Board periodically reviews risk management policy of the company. There was no non-compliance during the last three years by the company on any matter relating to the Capital Markets. There were no penalties, strictures passed on the Company by stock exchanges/SEBI or any Statutory Authority. The company has established a 'Vigil Mechanism' for directors and employees to report their genuine concerns. The company oversees this 'Vigil Mechanism' through the Audit & Risk Management Committee of the Board and no one has been denied access to the Audit Committee. There were no pecuniary relationships or transactions with non-executive directors. The Management Discussion and Analysis Report forms part of the Annual Report. Particulars of directors seeking appointment/re-appointment at the AGM have been given in Notice of the AGM to be held on 14Sept., 2017.

VIII. Means of communication

The quarterly results of the Company were announced within 45 days of the end of each quarter, except for March 2017 which were announced within 60 days of the close of the financial year; such results are published normally in the 'The Financial Express', and 'Aajkal'. The financial results of the company is provided at the website www.starpapers.com. There is no presentation made to institutional investor or to the analysts. The website also displays other important information. 14 SEPT., 2017

IX. Shareholder Information

78th AGM Details:

Date	Venue	Book Closure Dates	Time
14th Sept., 2017	'KalaKunj' (Kalamandir basement), 48, Shakespeare Sarani, Kolkata 700 017	07.09.17 to 14. 09.17	11:30 A.M.

Registrar & Share Transfer Agents:

The Company's Registrar and Share Transfer Agent is Karvy Computershare Pvt. Ltd..
Address for correspondence :
Karvy Computershare Pvt. Ltd.,
Karvy Selenium Tower B, Plot No 31 & 32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally
Hyderabad – 500 008.
Phone: 040-67161585
e-mail:kishore.bv@karvy.com

Transfer System

The Registrars and Share Transfer Agents process every fortnight requests for approving share transfers. The processing activities with respect to requests received for share transfer are completed within 7-10 days from the date of receipt of request. There were no shares pending for transfer as on 31st March, 2017.

Compliance certificate of the Auditors

The company has obtained certificate from the statutory auditors certifying compliance of conditions of corporate governance as stipulated under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and the same is annexed. The certificate will also be sent to the stock exchanges along with the Annual Report for 2016-17.

Dematerialization of Shares and Liquidity

The shares of the Company can be traded in dematerialized form with both NSDL (National Securities Depository Ltd.) and CDSL (Central Depository Services (India) Ltd. The Shareholders holding shares in the electronic form should address their correspondence, except those relating to dividend, to their respective Depository Participants. As on 31st March, 2017, a total of 1,54,17,761 shares of the Company, which form 98.77% of the share capital, stand dematerialized. The processing activities with respect to the requests received for de-materialization are completed within 3-5 days from the date of receipt of request.

Under the depository system, the International Securities Identification Number (ISIN) allotted to the company is INE 733A01018.

Distribution of Shareholding as on 31st March, 2017.

Slab	No. of Shareholders		No. of Equity Shares	
	Total	% of shareholders	Total	% to share capital
1-500	10770	86.58	1204082	7.71
501-1000	733	5.89	606025	3.88
1001-2000	433	3.48	659249	4.22
2001-3000	155	1.25	389964	2.50
3001-4000	87	0.70	308899	1.98
4001-5000	58	0.47	270551	1.73
5001-10000	92	0.74	663683	4.25
10001 and above	112	0.90	11509897	73.72
Total	**12440**	**100.00**	**15608350**	**100.00**

Category of Shareholders as on 31st March, 2017.

Category	No. of Shares	% of Shareholding
Promoter Group	7256044	46.49
Financial Institutions	23524	0.15
Banks and Mutual Funds	13348	0.09
Insurance Companies	100550	0.64
Non Resident Indian (NRI)	145362	0.93
Clearing Member (NSDL & CDSL)	195270	1.25
Public - Bodies Corporate	1315165	8.43
- Individuals	6229602	39.91
- Others	329485	2.11
Total	**15608350**	**100.00**

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

Month	NSE		BSE	
	High	Low	High	Low
2016				
April	40.70	34.80	40.50	34.50
May	47.00	35.25	47.10	35.25
June	48.20	40.15	48.35	40.30
July	67.80	45.20	67.80	45.00
August	113.95	55.15	113.65	55.10.
September	109.75	90.50	109.40	90.65
October	140.65	98.20	140.90	98.70
November	198.10	136.45	198.45	137.00
December	204.75	157.20	204.90	159.00
2017				
January	197.80	171.15	197.40	172.00
February	215.60	170.15	215.80	170.60
March	200.00	131.10	200.20	134.70

Listing on stock exchanges

The Company's Equity Shares are currently listed with the Stock Exchange, Mumbai (BSE) and the National Stock Exchange of India Ltd. (NSE) under Stock Codes '516022' and 'STARPAPER' respectively, The Company has paid the requisite listing fees to the stock exchanges for the financial year 2016-17.

Registered Office :	Plant location :	Branches at :
Duncan House, 2nd Floor 31, Netaji Subhash Road Kolkata - 700 001	Seth Baldeodas Bajoria Road, Saharanpur - 247 001, Uttar Pradesh	i) 2nd Floor, Express Building, 9-10, Bahadur Shah Zafar Marg, New Delhi - 110 008 ii) 23, Mauji Colony, Malviya Nagar, Jaipur - 302 017

Financial Calendar 2017-18

The next financial year of the Company is 1st April 2017 to 31st March 2018.

The schedule of approving the Financial Results of the Company is given below:-

S. No.	Financial Results	Date for approving the Results (Tentative)
1.	First quarter results	Latest by 14th August/ Allowed extended time
2.	Second quarter and half yearly results	Latest by 14thNovember/Allowed extended time
3.	Third quarter results	Latest by 14th February/Allowed extended time
4.	Fourth quarter & Annual results	Latest by 30th May/Allowed extended time

Details of Past Three Annual General Meetings

Year	Venue	Date & Time	Special resolutions passed (Y/N)
2015-16	Kala Kunj', 48, Shakespeare Sarani, Kolkata 700 017	14th Sept., 2016 11.00 A.M	Yes, i) Re-appointment Mr. Madhukar Mishra as Managing Director of the company; ii) Approval to pay remuneration to Mr. G.P. Goenka, Executive Chairman for the FY 2015-16 in excess of the limits prescribed by the Companies Act, 2013
2014-15	Kala Kunj', 48, Shakespeare Sarani, Kolkata 700 017	24th Sept., 2015 10.30 A.M	Yes, i) Appointment Mr. G.P Goenka as executive director; ii) Approval of borrowing limits of the company; iii) Approval to create mortgage and/or charges on all or any assets of the company.
2013-14	Kala Kunj', 48, Shakespeare Sarani, Kolkata 700 017	27th Sept., 2014 10.30 A.M	NIL

Postal Ballot

No special resolution requiring a postal ballot was placed before the last Annual General Meeting. Similarly, no special resolution requiring a postal ballot is being proposed at the forthcoming Annual General Meeting.

Declaration of Managing Director under SEBI Listing Regulations, 2015.

I hereby declare that to the best of my knowledge & belief, all the members of the Board and the senior management personnel of the company have affirmed their respective compliance with the code of conduct of the company for the financial year ended 31st March, 2017.

Place: New Delhi
Date : 25th May 2017

Madhukar Mishra
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of Star Paper Mills Limited,

1. We have examined the compliance of conditions of corporate governance by Star Paper Mills Limited ('the Company') for the year ended on 31st March, 2017, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the said Listing Regulations.

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

3. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Director and the management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations, as applicable.

4. We further 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 Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No.:301051E

Place: New Delhi
Date: 25th May 2017

H. K. Verma
Partner
Membership No: 055104

ANNEXURE-VI
Form No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Star Paper Mills Limited (hereinafter called 'the Company') having CIN:L21011WB1936PLC008726. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2017 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the Rules made there under;
ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
iii) The Depositories Act, 1956 and the Regulations and Bye-laws framed there under;
iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
v) Following other laws, as identified and confirmed by the management, as specifically applicable to the Company:
    (a) The Indian Forest Act, 1927
    (b) The Indian Boiler Act, 1923
    (c) UP Agriculture Produce Mandi Act, 1964
    (d) Indian Explosives Act, 1884
    (e) The Petroleum Act, 1936

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

(a) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

(b) Secretarial Standards issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government under section 118 (10) of the Companies Act, 2013 with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2).

The Company complies with statutory Tax Audit requirement under section 44AB of the Income Tax Act, 1961 which is done by Tax Auditor and VAT Audit Requirement under respective State VAT Acts by VAT Auditors, wherever applicable, so we have not reviewed compliance of applicable Income Tax Laws / Central Sales Tax Act / respective State VAT Acts to the Company.

The management has made written representation and we have also checked that during the year the following Acts, Regulations, Guidelines etc. as specified in the prescribed MR-3 Form were not applicable to the Company:

(a) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings since the Company did not have any Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 since the Company has not made any issue of securities during the financial year;

(c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 since the company has not issued any shares or options to its Directors or other employees under the said Guidelines or Regulations and it has no such schemes / benefits;

(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 since the Company has not issued any Listed Debt Securities;

(e) 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 since the company is not licensed to act as a Registrar and Share Transfer Agent;

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 since the Company has neither delisted nor proposed to delist its equity shares from any Stock Exchange and

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 since the company has neither bought back nor proposed to buy back any of its listed securities;

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines etc. mentioned above and has generally adhered to the secretarial standards.

In respect of compliance of other laws specifically applicable to the Company, we have relied on information and records produced by the Company and written representations made by the management during the course of our audit and the reporting is limited to that extent.

We further report that:

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

(b) Adequate notice was given to all the directors to schedule the Board Meetings, agendas were sent at least seven days in advance and detailed notes on agenda were sent subsequently and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(c) Views of the Directors on all important matters have been captured and recorded in the Minutes and majority decision is carried through. There has not been any dissent among the directors on any matter dealt with by the Board.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and Chief Financial Officer and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has appropriately responded to notices for demands, claims, dues, fines, penalties etc. received from various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that during the audit period there was no specific event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred above.

Place: Kolkata

Date: 25.05.2017

For D. DUTT & CO.

Company Secretaries

UNIQUE CODE NUMBER: I2001WB209400

(DEBABRATA DUTT)
Proprietor
FCS-5401
C.P. No.-3824

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

ANNEXURE – A

To

The Members,

Star Paper Mills Limited

Our Secretarial Audit Report for the financial year ended 31st March, 2017 of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain proper secretarial records, devise proper systems to endure compliance with the provisions of all Corporate and other applicable laws, rules, regulations, standards and also to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances based on our audit.
3. 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.
4. We believe that the audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide us a basis of our opinion.

Disclaimer:

5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules, regulations, guidelines, standards and happening of events etc.
7. 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.

Place: Kolkata
Date: 25.05.2017

For D. DUTT & CO.
Company Secretaries
UNIQUE CODE NUMBER: I2001WB209400

(DEBABRATA DUTT)
Proprietor
FCS-5401
C.P. No 3824

ANNEXURE VII

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and

Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL.
2. Details of material contracts or arrangement or transactions at arm's length basis: NIL.

For and on behalf of the Board

Place : New Delhi
Date : 25th May , 2017

G. P. Goenka
Executive Chairman

INDEPENDENT AUDITORS' REPORT

To the Members of Star Paper Mills Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Star Paper Mills Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss, and Cash Flow Statement for the year then ended, a significant accounting policies and other notes for the year ended on that date.

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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with relevant rules thereunder.

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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

Attention is drawn to the following notes to the financial statement:

Note no. 12.2 regarding non-provision for diminution in value of Investment in ISG Traders, impact of which is presently not ascertainable and as such cannot be commented upon by us.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its Profit and its Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:

a) Except for the matters described in the basis for qualified opinion, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, Statement of Profit and loss and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act;

e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the effect of pending litigations on its financial positions in its financial statement as required in terms of the accounting standards and provisions of the Companies Act, 2013- Refer Note No. 27.1 of the financial statement;

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;

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes (SBN's) during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 34 of the financial statements.

For Lodha & Co.

Chartered Accountants

Firm's ICAI Registration No.:301051E

Place: New Delhi
Date: 25th May 2017

H. K. Verma
Partner
Membership No: 055104

ANNEXURE "A" TO THE AUDITOR'S REPORT OF EVEN DATE:

i) a. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.

b. All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verifications.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii) a. As informed, the inventories of the Company except for materials in transit, those lying with third parties have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable.

b. In our opinion, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.

iii) The Company has not granted any loans secured or unsecured to companies, firms or parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v) The Company has not accepted any deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.

vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii) a. According to the information and explanations given to us, during the year, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues as applicable to it.

b. According to the information and explanations given to us, the details of disputed dues of sales tax, income tax, customs duty, wealth tax, excise duty, service tax, and Cess, if any, as at 31st March, 2017, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Uttar Pradesh VAT Act, 2008	VAT	29.85	2010-2011 2011-2012 2013-2014	Additional Commissioner (Appeals)
	VAT	14.42	2009-2010	Tribunal
The Central Sales Tax Act, 1956	Sales Tax	4.29	1996-1997	High Court
		406.00	1995-1996	Tribunal
The Central Excise Act	Excise Duty	41.16	2009-2010 to 2011-2012	CESTAT, New Delhi
UP Krishi Utpadan Mandi Adhiniyam 1965	Interest on Mandi Tax	33.81	01.01.1993 to 31.12.2013	High Court
	Mandi Tax	560.72	2004-2005 to 2015-16	High Court

viii) In our opinion and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks.

ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments).

x) During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud on or by the Company nor have we been informed of any such cases by the management.

xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act except as stated in Note no. 24.1 regarding pending approval from shareholders.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv) According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No.:301051E

Place: New Delhi
Date: 25th May 2017

H. K. Verma
Partner
Membership No: 055104

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Star Paper Mills Limited ("the Company") as of March 31, 2017 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Lodha & Co.

Chartered Accountants

Firm's ICAI Registration No.:301051E

Place: New Delhi
Date: 25th May 2017

H. K. Verma
Partner
Membership No: 055104

BALANCE SHEET AS AT 31ST MARCH, 2017

(Rs. in lakhs)

Particulars	Note No.	As at 31st March 2017		As at 31st March 2016	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2	1,560.83		1,560.83	
Reserves and Surplus	3	10,789.86		4,795.59	
			12,350.69		6,356.42
Non -Current Liabilities					
Deferred Tax Liabilities (Net)	4	1,870.70		1,155.84	
Other Long term Liabilities	5	839.48		783.69	
Long term provisions	6	1,033.70		1,043.84	
			3,743.88		2,983.37
Current Liabilities					
Short term borrowings	7	424.77		663.31	
Trade payables :	8				
Total outstanding dues of Micro & Small Enterprises		6.98		-	
Total outstanding dues other than Micro & Small Enterprises		4,164.85		6,159.46	
Other Current liabilities	9	965.75		839.22	
Short term provisions	10	801.59		579.01	
			6,363.94		8,241.00
Total			**22,458.51**		**17,580.79**
ASSETS					
Non-Current Assets					
Fixed Assets:					
Tangible assets	11	8,282.64		8,514.76	
Capital work-in-progress		245.28		53.98	
Non Current investments	12	3,229.70		3,229.70	
Long term loans and advances	13	2,254.58		861.36	
			14,012.20		12,659.80
Current Assets					
Current Investments	14	3,202.61		-	
Inventories	15	3,291.10		2,692.99	
Trade receivables	16	668.35		1,030.74	
Cash and Bank Balances	17	560.09		526.78	
Short term loans and advances	18	703.60		659.20	
Other Current Assets	19	20.56		11.28	
			8,446.31		4,920.99
Total			**22,458.51**		**17,580.79**
Significant Accounting Policies	1				
Notes on Financial Statements	2-40				
As per our report of even date					

For Lodha & Co.
Chartered accountants

H K Verma
Partner

On behalf of the Board

G.P. Goenka
Executive Chairman

Shiromani Sharma
M.P. Pinto
C.M. Vasudev
Savita L. Acharya (Ms)
Directors

Madhukar Mishra
Managing Director

P.K. Agrawal
Chief Financial Officer

Saurabh Arora
Company Secretary

Place : New Delhi
Date: 25th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Rs. in Lakhs)

Particulars	Note No.	Year Ended 31st March 2017	Year Ended 31st March 2016
REVENUE FROM OPERATIONS			
Revenue From Operations	20	32,412.41	27,244.98
Other Income	21	151.49	92.56
Total Revenue		**32,563.90**	**27,337.54**
EXPENDITURE			
Cost of Materials Consumed	22	10,276.49	10,827.06
Changes in Inventories of Finished goods Stock in Process and stock in trades	23	316.54	120.74
Employees Benefits Expenses	24	2,927.42	2,610.68
Finance Costs	25	127.38	255.19
Depreciation and Amortization Expenses	11	412.38	424.75
Other Expenses	26	11,794.56	11,024.72
Total Expenses		**25,854.77**	**25,263.14**
Profit Before Tax		**6,709.13**	**2,074.40**
Tax Expense			
- Current Tax		1,325.65	172.36
Less: MAT Credit Entitlement	13.1	(1,325.65)	-
- Deferred Tax - Charge/(Credit)	4	714.86	251.87
Profit / (Loss) for the year		**5,994.27**	**1,650.17**
Earning per equity share:	37		
- Basic and Diluted in Rupees		38.40	10.57
Significant Accounting Policies	1		
Notes on Financial Statements	2-40		
As per our report of even date			

On behalf of the Board

For Lodha & Co.
Chartered accountants

H K Verma
Partner

G.P. Goenka
Executive Chairman

Shiromani Sharma
M.P. Pinto
C.M. Vasudev
Savita L. Acharya (Ms)
Directors

Place : New Delhi
Date: 25th May, 2017

Saurabh Arora
Company Secretary

P.K. Agrawal
Chief Financial Officer

Madhukar Mishra
Managing Director

Notes on Financial statements for the year ended 31st March, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with the provisions of the Companies Act, 2013 and accounting standards as prescribed under section 133 of the Companies Act , 2013 and other recognized accounting practices. Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.

(b) Use of Estimates

The preparation of financial statements require the management to make estimates and assumption that effect the reported amount of assets and liabilities and disclosures relating to contingent liabilities and assets as at the balance sheet date and the reported amounts of income and expenses during the year. Difference between the actual results and the estimates are recognised in the year in which the results become known/materialise.

Contingencies are recorded when it is probable that a liability will be incurred and the amounts can reasonably be estimated. Differences between the actual results and estimates are recognized in the year in which the results are known/ materialized.

(c) Fixed Assets

Tangible Assets

i) Fixed assets are stated at cost of acquisition/construction. Cost of an item of Property, Plant and Equipment includes purchase price including import duties and non refundable taxes, dismantling cost, cost directly attributable to bringing the asset to the location and condition necessary for its intended use.

ii) Capital Work-in-progress includes Marchinery to be installed, Construction and Erection Materials etc.

(d) Depreciation

i) Depreciation has been provided for as per Schedule II of the Companies Act, 2013, on written down value method and in respect of plant and Machinery acquired on or after 1.4.76, on straight-line method. Certain plants have been considered as continuous process plants on technical evaluation.

ii) Machinery Spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are amortised over the useful life of the respective fixed assets and the amount amortised is included under stores and spares consumed.

(e) Impairment of Fixed Assets

Fixed Assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognised, whenever the carrying amounts of assets exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets.

(f) Investments

Long-term investments are stated at cost less provisions, if any, for diminution in the values thereof, other than temporary. Current Investments are valued at lower of cost or market value computed category wise.

(g) Inventories

i) Inventories are valued at cost or estimated net realisable value whichever is lower. The value of inventories other than raw materials is etermined on weighted verage basis. The value of raw materials is determined by first in first out method. Cost of raw materials includes expenses incurred for procuring the same. Cost in respect of finished goods and wrapper represents manufacturing cost and appropriate portion of overheads but does not include interest, selling and distribution and certain administrative overheads. Cost in respect of process stock represents, cost incurred upto the stage of completion.

ii) Customs duty on materials in bond and excise duty on finished goods lying in the factory as at the year-end is considered as cost for valuation of stocks.

(h) Revenues and Other Income

i) Revenue is being recognised on accrual basis.

ii) All expenses, claims, interest on overdue debts/demands and other incomes to the extent ascertainable and considered payable or receivable as the case may be, have been accounted for.

iii) Sales are recognised on passing of the property in the goods as per the terms of the sales, irrespective of actual delivery. Sales include excise duty and incidental charges but rebates, discounts and Sales Tax/Value Add Tax (VAT) are excluded there from.

(i) Foreign currency transactions

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of the transaction. Foreign currency monetary assets and liabilities at the year end are translated at the year end exchange rates. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as revenue or expense and are shown in the statement of profit and loss.

Notes on Financial statements for the year ended 31st March, 2017

Exchange differences arising with respect to forward contracts other than those entered into, to hedge foreign currency risk on unexecuted firm commitments or of highly probable forecast transactions are recognized in the period in which they arise and the difference between the forwards rate and exchange rate at the date of transaction is recognized as revenue / expense over the life of the contract.

(j) Employee benefits

Employee benefits are accrued in the year services are rendered by the employees.Short term employee benefits are recognised as an expense in the statement of profit and loss for the year in which the related service is rendered.

Contribution to defined contribution schemes such as Provident Fund etc. are recognized as and when incurred.

Long term employee benefits under defined benefit scheme such as contribution to gratuity, leave etc. are determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gains and losses are recognised in the year when they arise.

(k) Research & Development

Research and development cost (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred.

(l) Income taxes

Provision for tax is made for both current and deferred taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent years are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets other than in respect of carried forward losses or unabsorbed depreciation are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

(m) Borrowing Cost

Borrowing costs, that are attributable to the acquisition or construction of qualifying asset, are capitalised as part of the cost of such assets.A qualifying asset is one that necessarily takes substantial period of time to get ready for use.All other borrowing costs are charged to revenue.

(n) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are disclosed by way of notes to accounts. Contingent assets are neither recognised nor disclosed in the financial statements.

Notes on Financial statements for the year ended 31st March, 2017

2. SHARE CAPITAL

(Rs. in lakhs)

	Authorized	As at 31st March 2017	As at 31st March 2016
	10,000 (Previous Year: 10,000) 5% Cumulative Tax Free Redeemable Preference Shares of Rs.100 each	10.00	10.00
	39,800,000 (Previous Year: 39,800,000) Equity Shares of Rs.10 each	3,980.00	3,980.00
	100,000 (Previous Year: 100,000) `A' Equity Shares of Rs.10 each	10.00	10.00
		4,000.00	**4,000.00**
	Issued		
	15,511,250 (Previous Year: 15,511,250) Equity Shares of Rs.10 each	1,551.12	1,551.12
	100,000 (Previous Year: 100,000) `A' Equity Shares of Rs.10 each	10.00	10.00
		1,561.12	**1,561.12**
	Subscribed and Paid-up		
	15,508,350 (Previous Year: 15,508,350) Equity Shares of Rs.10 each	1,550.83	1,550.83
	100,000 (Previous Year: 100,000) `A' Equity Shares of Rs.10 each	10.00	10.00
		1,560.83	**1,560.83**
		No. of Shares	No. of Shares
	Shareholders holding more than 5% shares		
	ISG Traders Ltd.	51,74,344	53,50,319
	Albert Trading Company Pvt. Ltd.	9,05,200	9,05,200

2.1 The Company has two class of equity share having a par value of Rs. 10/- each. Each holder of both class of equity shares is entitled to one vote per equity share. In the event of liquidation, the equity shareholder of both the class are eligible to receive the remaining asset of the company after distribution of all preferential amounts, in the proportion of their shareholdings.

2.2 There is no movement in the number of share outstanding at the beginning and at the end of the year.

2.3 The Board of Directors proposed a final dividend of Rs. 2/- Per Share in respect of the year ended 31st March, 2017 subject to approval of shareholders at the ensuring Annual General Meeting. If approved, the dividend would result in a cash flow of Rs. 375.66 lakhs including tax of Rs. 63.49 lakhs on amount of dividend distribution.

Notes on Financial statements for the year ended 31st March, 2017

3. RESERVES AND SURPLUS

(Rs. in lakhs)

	As at 31st March 2017		As at 31st March 2016	
Capital Reserve				
As per Last Balance Sheet		3.20		3.20
Capital Redemption Reserve				
As per Last Balance Sheet		50.00		50.00
Securities Premium Account				
As per Last Balance Sheet		4,459.50		4,459.50
General Reserve				
As per Last Balance Sheet		1,282.01		1,282.01
Surplus/(Deficit) :				
As per Last Balance Sheet	(999.12)		(2,649.29)	
Add : Profit/(Loss) for the year transferred from Statement of Profit and Loss A/c	5,994.27	4,995.15	1,650.17	(999.12)
Total		**10,789.86**		**4,795.59**

4. DEFERRED TAX LIABALITY (NET)

	As at 31st March 2017	Charge/ (Credit) during the year	As at 31st March 2016
Deferred Tax Liability			
Timing difference w.r.t. fixed assets	2,350.11	(2.67)	2,352.78
Sub-Total	**2,350.11**	**(2.67)**	**2,352.78**
Deferred Tax Assets			
Expenses allowable on payment basis	476.36	29.12	505.48
Unabsorbed Depreciation Loss	-	687.90	687.90
Provision for Doubtful Debts	3.05	0.51	3.56
Sub-Total	**479.41**	**717.53**	**1196.94**
Deferred Tax Liability Net	**1,870.70**	**714.86**	**1,155.84**

5. OTHER LONG TERM LIABILITIES

	As at 31st March 2017	As at 31st March 2016
Deposits:		
(i) from whole sellers	763.66	710.91
(ii) from others	75.82	72.78
Total	**839.48**	**783.69**

Notes on Financial statements for the year ended 31st March, 2017

6. LONG TERM PROVISIONS

(Rs. in lakhs)

		As at 31st March 2017	As at 31st March 2016
	Provision for Employees benefit (Refer Note No. 33)		
	Provision for Gratuity	614.07	634.95
	Provision for Leave Encashment	56.88	72.12
	Provision for Pension	362.75	336.77
	Total	**1,033.70**	**1,043.84**

7. SHORT TERM BORROWINGS

		As at 31st March 2017	As at 31st March 2016
	Secured		
	Working Capital Loans		
	Repayable on Demand		
	~ From banks	111.53	300.07
	Unsecured		
	~ From Related Parties (Refer Note No. 33)	313.24	363.24
	Total	**424.77**	**663.31**
7.1	Working Capital facility from Banks are secured by way of Hypothecation of Stocks of finished goods, raw materials, chemicals, stores, other materials including those in transit, book debts both present and future and the charge on fixed assets of the company, ranking pari-passu in favour of the banks.		

8. TRADE PAYABLES

		As at 31st March 2017	As at 31st March 2016
	Payable for goods and services		
	Due to Micro and Small Enterprises (Refer Note. No. 8.1)	6.98	-
	Others	4,164.85	6,159.46
	Total	**4,171.83**	**6,159.46**
8.1	Disclosures of these dues is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act):		
	(i) The principal amount and the interest due remaining unpaid to any supplier as at the end of the year	6.98	-
	(ii) The amount of interest paid by the buyer in terms of Section 16 of the" Micro, Small and Medium Enterprise Development Act, 2006 "along with the amounts of the payment made to the supplier beyond the appointed day during the year:	–	--
	(iii)The amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under "Micro, Small and Medium Enterprise Development Act, 2006."	–	--
	(iv) The amount of interest accrued and remaining unpaid at the end of the year and	–	--
	(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the "Micro, Small and Medium Enterprise Development Act, 2006".	–	--

Notes on Financial statements for the year ended 31st March, 2017

9. OTHER CURRENT LIABILITIES

(Rs. in lakhs)

		As at 31st March 2017	As at 31st March 2016
	Interest accrued but not due on unsecured loans	184.71	135.57
	Unpaid Dividend (Refer Note No. 9.1)	1.98	3.86
	Unclaimed Liability in respect of redeemed preference shares (Refer Note No. 9.1)	0.59	0.59
	Capital Vendors	102.49	102.49
	Advance/Credit Balance from Customer	320.41	235.82
	Other Payables		-
	~ Statutory dues - PF , ESI , TDS , VAT etc.	207.79	201.95
	~ Excise Duty on Finished Goods	30.41	32.43
	~ Others	117.37	126.51
	Total	**965.75**	**839.22**
9.1	The figure does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.		

10. SHORT TERM PROVISIONS

		As at 31st March 2017	As at 31st March 2016
	Provision for Employees Benefit:		
	Provision for Leave Encashment (Refer Note. No. 33)	20.32	16.14
	Provision for Pension (Refer Note. No. 33)	34.74	34.12
	Advance payment of Income Tax including deduction at source (net of provisions)	56.25	121.16
	Other Provisions	690.28	407.59
	Total	**801.59**	**579.01**

Notes on Financial statements for the year ended 31st March, 2017

11. FIXED ASSETS

(Rs. In Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2016	Additions during the year	Sale/Adjustments during the year-	As on 31.03.2017	Upto 31.03.2016	For the Year	Sale/Adjustments during the year-	Upto 31.03.2017	As on 31.03.2017	As on 31.03.2016
Land	20.99	-	-	20.99	-	-		-	20.99	20.99
Buildings	826.05	-	-	826.05	717.29	23.90	-	741.19	84.86	108.76
Railway Siding	6.83	-	-	6.83	6.83	-	-	6.83	-	-
Plant & Equipment	24,801.89	171.94	49.46	24,924.37	16,444.71	374.94	47.47	16,772.18	8,152.19	8,357.18
Furniture and Fittings	230.42	11.51	4.48	237.45	217.07	7.75	3.28	221.54	15.91	13.35
Vehicles	84.46	-	-	84.46	69.98	5.79	-	75.77	8.69	14.48
Total	**25,970.64**	**183.45**	**53.94**	**26,100.15**	**17,455.88**	**412.38**	**50.75**	**17,817.51**	**8,282.64**	**8,514.76**
Previous Year	**25,701.24**	**364.47**	**95.07**	**25,970.64**	**17,123.49**	**424.75**	**92.36**	**17,455.88**	**8,514.76**	**-**

11.1 Gross block and Net block of Buildings include flat acquired under joint ownership with others at New Delhi amounting Rs. 55.30 Lakhs and Rs.16.87 Lakhs (Previous year Rs. 55.30 Lakhs and Rs. 21.13 Lakhs) respectively.

Notes on Financial statements for the year ended 31st March, 2017

12. INVESTMENTS

(Rs. In Lakhs)

		As at 31st March 2017	As at 31st March 2016
	Non- Current Investments:		
	(Long Term other than Trade)		
	QUOTED		
	ISG Traders Limited	3,578.89	3,578.89
	1,745,786 (Previous Year:1,745,786) Fully paid equity shares of Rs.10 each		
	Less : Provision for Diminution in value of Investment	349.19	349.19
		3,229.70	**3,229.70**
	Aggregate book value of: Quoted Investments	3,578.89	3,578.89
	Aggregate Provision for: Quoted Investments	349.19	349.19
12.1	Market quotation in respect of Non-traded shares are not available since long, therefore the market value of these investments has not been stated.		
12.2	The company's investment in ISG Traders Ltd was evaluated in the previous year. However, no such evaluation has been carried out during the year. Pending this, no further provision for diminution, if any, in the value of investment has been considered as the same is not ascertainable.		

13. LONG TERM LOANS AND ADVANCES

		As at 31st March 2017	As at 31st March 2017
	(Unsecured -considered good unless otherwise stated)		
	Capital Advances	61.38	14.39
	Balances/Deposits with Govt Authorities and Others (Refer Note No. 27)	739.87	719.29
	Deposits with Related parties(Refer Note No. 13.2 and 35)	35.00	35.00
	MAT Credit Entitlement (Refer Note No. 13.1)	1,418.33	92.68
	Total	**2,254.58**	**861.36**
13.1	In view of the management, the company is expected to pay normal tax within the credit entitlement period and thereby no adjustment in this respect has been considered necessary. Accordingly based on such evidences MAT Credit entitlement of Rs.1325.65 lakhs (Previous Year Rs.Nil) has been recognised in this Financial Statement		
13.2	Security deposits include Rs. 35.00 lakhs (previous year Rs. 35.00 lakhs) with a company in which directors are interested as a member / director.		

14. CURRENT INVESTMENT- AT COST

		As at 31st March 2017		As at 31st March 2016	
	(Other Than Trade)				
	Investment in Mutual Fund				
	Quoted	**Units**	**Amount**	**Units**	**Amount**
	Birla sun Life-Dynamic Bond -Growth (of Rs. 10/- each)	2,88,262.97	100.00	-	-
	Birla sun Life Short Term -Growth (of Rs. 10/- each)	6,90,223.00	400.00	-	-
	Birla sun Life Short Term Opportunities - Growth (of Rs. 10/- each)	7,53,639.14	200.00	-	-
	Kotak Medium Term -Growth (of Rs. 10/- each)	7,47,283.62	100.00	-	-
	HDFC High Interest Fund- Dynamic Growth (of Rs. 10/- each)	6,90,185.71	400.00	-	-
	ICICI Prudential Corporate Bond -Growth (of Rs. 10/- each)	44,36,677.10	1,100.00	-	-
	ICICI Prudential Equity Arbitrate - DR (of Rs. 10/- each)	14,69,963.00	202.61	-	-
	Reliance Corporate Bond - Growth (of Rs. 10/- each)	54,57,386.00	700.00	-	-
	Total		**3,202.61**		**-**
	Aggregate amount of Quoted Investments				
	-In Mutual Funds	3,202.61			-
	Aggregate Market value of Quoted Investments				
	-In Mutual Funds	3,256.04			-

Notes on Financial statements for the year ended 31st March, 2017

15. INVENTORIES

(Rs. In Lakhs)

		As at 31st March 2017	As at 31st March 2016
	(Value at cost or estimated net realizable value)		
	Raw Materials	856.38	578.88
	Raw Materials in Transit	0.22	0.30
	Chemicals	299.42	250.02
	Work in Progress	292.79	485.26
	Finished Goods in Transit	-	17.83
	Finished Goods	438.62	544.86
	Stores and spares	1,400.18	814.85
	Loose Tools	3.49	0.99
	Total	**3,291.10**	**2,692.99**

16. TRADE RECEIVABLES

			As at 31st March 2017		As at 31st March 2016
	Outstanding for period exceeding six months from the date they become due for payment				
	- Considered good				
	Secured		31.10		38.40
	Unsecured		109.20		6.62
	- Considered Doubtful	8.83		10.27	
	Less: Provision for doubtful debts	(8.83)	-	(10.27)	-
			140.30		**45.02**
	Other Debts				
	- Considered good				
	Secured		281.89		217.64
	Unsecured		246.16		768.08
			528.05		**985.72**
	Total		**668.35**		**1,030.74**

Notes on Financial statements for the year ended 31st March, 2017

17. CASH AND BANK BALANCES

(Rs. In Lakhs)

			As at 31st March 2017		As at 31st March 2016
	Cash and Cash Equivalents				
	Balances with Banks -				
	In Current Accounts		274.57		13.19
	In Unpaid Dividend Accounts		1.98		3.88
	In Fixed Deposits (having original maturity of less than three months)		200.03		400.00
	Cheque in hand		11.90		-
	Cash in hand		3.36		7.04
			491.84		**424.11**
	Other Balances with banks				
	In Margin Money Accounts (Refer Note No. 17.1)		50.90		87.33
	In Fixed Deposits (having original maturity of more than 3 months) (Refer Note No. 17.2)		17.35		15.34
			68.25		**102.67**
	Total		**560.09**		**526.78**
17.1	Fixed Deposit lodged with banks against Bank Guarantees issued by them.				
17.2	Against employee security deposits				

18. SHORT TERM LOANS AND ADVANCES

(Rs. In Lakhs)

			As at 31st March 2017		As at 31st March 2016
	Balances/Deposits with Govt Authorities & Others		342.25		259.25
	Other Loans and Advances				
	~ for supply of goods and rendering of services		302.70		316.95
	~ Prepaid Expenses		58.65		83.00
	Total		**703.60**		**659.20**

19. OTHER CURRENT ASSETS

(Rs. In Lakhs)

			As at 31st March 2017		As at 31st March 2016
	Interest Receivable		20.56		11.28
			20.56		**11.28**

20. REVENUE FROM OPERATION

(Rs. In Lakhs)

			For the Year ended 31st March 2017		For the Year ended 31st March 2016
	Sale Of Paper		33,712.41		28,263.22
	Other Operating Revenue				
	-Sale of Waste Sludge,Scrap, etc.	335.64		409.17	
	-Provision/ Liabilities no longer required written back	262.27		119.73	
	-Incentive on Exports	7.13		-	
	-Sale of Colonel Plants	49.76	654.80	72.09	600.99
			34,367.21		28,864.21
	Less : Excise Duty		1,954.80		1,619.23
	Total		**32,412.41**		**27,244.98**

Notes on Financial statements for the year ended 31st March, 2017

21. OTHER INCOME

(Rs. In Lakhs)

		For the Year ended 31st March 2017	For the Year ended 31st March 2016
	Profit on Sale/Discard of Fixed Assets(Net)	1.06	3.80
	Profit on Sale of Current Investments (Net)	1.53	-
	Dividend Income on Current Investments	1.09	-
	Foreign Exchange Fluctuation (Net)	1.24	-
	Interest Received		
	-From Banks and Others	91.45	37.88
	-On Overdue debts	5.73	23.09
	Miscellaneous Receipts	49.39	27.79
	Total	**151.49**	**92.56**

22. COST OF RAW MATERIAL CONSUMED

		For the Year ended 31st March 2017	For the Year ended 31st March 2016
	Wood, Wood and Paper waste and wood Pulp	7,333.77	7,783.13
	Chemical and Dyes Consumed	2,942.72	3,043.93
	Total	**10,276.49**	**10,827.06**

23. DECREASE / (INCREASE) IN STOCKS

		For the Year ended 31st March 2017	For the Year ended 31st March 2016
	Opening Stock:		
	Stock in Process	485.26	398.02
	Finished Paper	562.69	770.67
		1,047.95	**1,168.69**
	Closing Stock:		
	Stock in Process	292.79	485.26
	Finished Paper	438.62	562.69
		731.41	**1,047.95**
	Total	**316.54**	**120.74**

24. EMPLOYEES BENEFITS EXPENSES

		For the Year ended 31st March 2017	For the Year ended 31st March 2016
	Salaries, Wages and Bonus	2,534.69	2,229.41
	Contribution to Provident and Other Funds	204.89	188.77
	Workmen and Staff Welfare Expenses	187.84	192.50
	Total	**2,927.42**	**2,610.68**
24.1	The Board approved payment of additional performance pay of Rs. 25.00 Lakhs to Managing Director subject to approval of the Shareholders in the ensuring Annual General Meeting.		

Notes on Financial statements for the year ended 31st March, 2017

25. FINANCE COST

(Rs. In Lakhs)

			For the Year ended 31st March 2017	For the Year ended 31st March 2016
	Interest Expenses		6.36	118.32
	Other borrowing Cost		121.02	136.87
	Total		**127.38**	**255.19**

26. OTHER EXPENESES

			For the Year ended 31st March 2017	For the Year ended 31st March 2016
	Consumption of Stores and Spare parts		1,270.88	1,066.64
	Power and Fuel		7,126.92	6,432.31
	Rent (Refer Note No. 26.3)		92.87	92.17
	Repairs			
	- Buildings		123.27	109.63
	- Marchinery		775.46	656.97
	- Others		89.36	25.61
	Insurance(Net of recoveries)		16.12	10.49
	Rates and Taxes		184.24	36.87
	Excise Duty on Stocks (Net)		(5.51)	(10.80)
	Packing, Selling, Transportation & other Expenses		466.96	400.37
	Charity and Donations (Refer Note No. 26.4)		20.51	30.62
	Directors' Fees		8.60	5.50
	Professional Charges		55.72	38.70
	Foreign Exchange Fluctuation (Net)		-	1.25
	Bad Debts	4.15		
	Less: Provision for Doubtful debts	(1.44)	2.71	-
	Sundry Balances Written Off		-	8.29
	Mandi fee dues		-	591.60
	Miscellaneous Expenses (Refer Note No. 26.1)		1,566.45	1,528.50
	Total		**11,794.56**	**11,024.72**
26.1	**AUDITORS REMUNERATION (Included in Miscellaneous Expenses)**			
	Statutory Audit Fee		7.00	7.00
	Fee for Tax audit		1.80	1.80
	Fee for Certificates and Review		5.00	2.20
	Total		**13.80**	**11.00**
26.2	During the year , the company has incurred Rs. 86.48 Lakhs (previous year Rs. 78.34 Lakhs) on account of research and development expenses which has been charged to statement of Profit and loss.			
26.3	The Company has operating lease arrangement for office accommodation with tenure extending upto 9 yrs. Term of lease arrangement include escalation clause for rent on expiry of 36 months from the commencement date of such lease and deposit / refund of security deposit etc. Expenditure incurred on account of rent during the year and recognized in the Statement of Profit and Loss account amounts to Rs. 40.50 lakhs (previous year Rs. 40.50 lakhs).			
26.4	During the year, the company has incurred Rs. 23.75 lakhs (Previous Year Nil) on account of Corporate Social Responsibility (CSR) out of which Rs.20 lakhs (Previous Year NIL) included under Charity & Donations.			

Notes on Financial statements for the year ended 31st March, 2017

27. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

(Rs. In Lakhs)

		As at 31st March 2017	As at 31st March 2016
27.1	**Contingent Liabilities**		
	In respect of Various demands raised, which in the		
	opinion of the management are not tenable and		
	are under appeal at various stages		
	1. Sales Tax including Trade Tax	838.08	859.28
	2. Mandi fee	560.72	-
	3. Excise Duty	41.16	30.44
	4. Electric Duty	2.70	2.70
	5. Employees State Insurances Corp.	4.90	4.90
	6. Sales Tax on Royalty	69.10	69.10
	7. Entry tax on fuels,etc	144.71	144.71
	8.Demand in respect of Railway Plot Rent	-	300.00
	9 . Municipal Corporation tax	-	72.00
	10. Workers Claims	78.15	58.97
27.1	The Company's pending litigations comprises of claim against the Company and proceedings pending with tax/ statutory/Government Authorities. The Company has reviewed all its pending litigation and proceedings and has made adequate provisions, and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of above are determinable only on receipt of judgment/ decisions pending with various forums/ authorities.		
27.2	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account (net of advances) Rs. 57.70 Lakhs (Previous year Rs. 13.47 Lakhs).		

28. Foreign currency exposure outstanding as on 31.3.2017 which has not been hedged Rs. Nil (Previous year Rs. Nil)

29. CIF VALUE OF IMPORTS

		For the Year ended 31st March 2017	For the Year ended 31st March 2016
	Raw Material	42.41	20.05
	Components, Spare Parts and Machinery	218.68	91.98

30. EXPENDITURE IN FOREIGN CURRENCY

	-Traveling	10.29	12.28
	-Others	3.62	3.44

Notes on Financial statements for the year ended 31st March, 2017

31. EARNING IN FOREIGN EXCHANGE

(Rs. In Lakhs)

	FOB Value of Export		317.76		86.11

32. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, SPARE PARTS CONSUMED

		For the Year ended 31st March 2017		For the Year ended 31st March 2016	
		Rs. in Lakhs	**%**	**Rs. in Lakhs**	**%**
	Raw Material				
	Indigenous	10,276.03	99.79%	10,770.59	99.79%
	Imported	0.46	0.21%	56.47	0.21%
		10,276.49	**100.00%**	**10,827.06**	**100.00%**
	Consumption of Stores and Spare parts*				
	Indigenous	1,592.54	97.18%	1,286.81	98.39%
	Imported	46.26	2.82%	21.11	1.61%
		1,638.80	**100.00%**	**1,307.92**	**100.00%**
*	Includes spares part used for machinery repairs				

33. EMPLOYEE BENEFIT

	As per Accounting Standard 15 " Employees benefit", the disclosures as defined in the accounting standard are given below :		
	Contribution to defined contribution Plans for the year are as under :		
		For the Year ended 31st March 2017	**For the Year ended 31st March 2016**
	Employers Contribution to Provident Fund & Family Pension Fund	105.77	110.30
	Employers State Insurance fund	51.18	51.22

Notes on Financial statements for the year ended 31st March, 2017

Defined benefit scheme

i) The employees gratuity fund scheme is defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separate ly to build up the final obligation. The obligation for pension and leave encashment is recognised in the same manner as gratuity.

(Rs. In Lakhs)

	Expenses recognized in the Income Statement	Gratuity (funded)		Pension (non-funded)		Leave Encashment (non-funded)	
		31.3.2017	31.3.2016	31.3.2017	31.3.2016	31.3.2017	31.3.2016
	1. Current Service Cost	31.93	34.65	1.18	1.48	8.13	6.93
	2. Interest Cost	59.81	64.16	28.93	29.76	6.88	7.34
	3 Expected return on plan assets	(11.25)	(17.83)	-	-	-	-
	4. Past Service Cost					-	-
	5. Actuarial Losses/(Gains)	18.63	(2.51)	36.56	(1.99)	23.69	3.56
	Total Expenses	99.12	78.47	66.67	29.25	38.70	17.83
	Total Expenses recognized during the year	99.12	78.47	66.67	29.25	38.70	17.83
	Change in the Present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows						
	1. Present value of Defined Benefit Obligation at the beginning of the year	767.36	820.85	370.91	380.42	88.76	93.84
	2. Current Service Cost	31.93	34.65	1.18	1.48	8.13	6.93
	3. Interest Cost	59.81	64.16	28.93	29.76	6.88	7.34
	4. Plan amendments cost	-	-	-	-	-	-
	5. Benefit Paid	(121.48)	(142.68)	(40.08)	(38.76)	(49.75)	(22.91)
	6. Actuarial (Gains) / Losses	14.52	(9.62)	36.56	(1.99)	23.69	3.56
	Present value of Defined Benefit Obligation at the end of the year	752.14	767.36	397.50	370.91	77.71	88.76
	Change in the fair value of the Plan Asset representing reconciliation of opening and closing balances thereof are as follows						
	1. Plan Assets at the beginning of the year	132.41	209.37	-	-	-	-
	2. Contribution by Employer	120.00	55.00	40.08	38.76	49.75	22.91
	3. Expected return on plan assets	11.25	17.83	-	-	-	-
	4 Benefit Paid	(121.48)	(142.68)	(40.08)	(38.76)	(49.75)	(22.91)
	5. Actuarial Gains/(Losses)	(4.11)	(7.11)	-	-	-	-
	Plan Assets at the end of the year	138.07	132.41	-	-	-	-
	Total acturial gain/ (loss) to be recognised	18.63	(2.51)	36.55	(1.99)	19.59	3.56
	Actual return on Plan Asset						
	Expected return on Plan Assets	11.25	17.83	-	-	-	-
	Actuarial gain/ (Loss) on Plan Assets	(4.11)	(7.11)	-	-	-	-
	Actuarial return on Plan Assets	7.14	10.72	-	-	-	-
	Balance Sheet Reconciliation						
	1. Net Asset/(Liability) at beginning of the year	(634.95)	(611.48)	(370.91)	(380.42)	(88.76)	(93.84)
	2. Employer Expenses	(99.12)	(78.47)	(66.67)	(29.25)	(38.70)	(17.83)
	3. Employer Contributions	120.00	55.00	40.08	38.76	49.75	22.91
	4. Net Asset/(Liability) at the end of the year	(614.07)	(634.95)	(397.50)	(370.91)	(77.71)	(88.76)
	Actuarial Assumptions						
	1. Discount Rate	6.90%	7.80%	6.90%	7.80%	6.90%	7.80%
	2. Expected Rate of Return on Plan Assets	8.00%	8.50%	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Note:	(i) Assumptions related to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the year over which the obligation is expected to be settled.						
	(ii) The Company expects to contribute Rs. 100 Lakhs (Previous Year Rs. 120 Lakhs) to Gratuity fund in 2017-18.						

Notes on Financial statements for the year ended 31st March, 2017

ii) Disclosure in terms of para 120(n) of AS 15 (revised AS -15)

Particulars	Gratuity Funded (Rs. in Lakhs)				
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2013
1. Defined Benefit obligation at end of the period	(752.14)	(767.36)	(820.85)	(888.94)	(851.73)
2. Plan Assets at end of the period	138.07	132.41	209.37	325.68	471.85
3. Surplus / (Deficit)	(614.07)	(634.95)	(611.48)	(563.26)	(379.88)
4. Experience Gain / (Loss) adjustments on plan liabilities	(11.36)	(9.62)	(49.71)	(54.87)	(23.73)
5. Experience Gain / (Loss) adjustments on plan assets	(4.11)	(7.11)	(7.28)	(8.30)	1.70

Particulars	Pension (non-funded) (Rs. in Lakhs)				
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2013
1. Defined Benefit obligation at end of the period	(397.50)	(370.91)	(380.42)	(382.74)	(416.39)
2. Plan Assets at end of the period	-	-	-	-	-
3. Surplus / (Deficit)	(397.50)	(370.91)	(380.42)	(382.74)	(416.39)
4. Experience Gain / (Loss) adjustments on plan liabilities	2.43	(1.99)	25.20	(0.82)	(0.53)
5. Experience Gain / (Loss) adjustments on plan assets	-	-	-	-	-

Particulars	Leave Encashment (non-funded) (Rs. in Lakhs)				
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2013
1. Defined Benefit obligation at end of the period	(77.71)	(88.76)	(93.84)	(102.73)	(109.79)
2. Plan Assets at end of the period	-	-	-	-	-
3. Surplus / (Deficit)	(77.71)	(88.76)	(93.84)	(102.73)	(109.79)
4. Experience Gain / (Loss) adjustments on plan liabilities	19.59	3.55	2.78	(22.05)	(11.48)
5. Experience Gain / (Loss) adjustments on plan assets		-	-	-	-

34. Specified Bank Notes (SBN's)

During the year, the Company had Specified Bank Notes (SBN's) or Other Denomination Notes (ODN's) as defined in the MCA Notification G.S.R. 308(E) dated 31st March, 2017. Details of SBN's and ODN's held and transacted during the period from 8th November, 2016 to 30th December, 2016, as required in terms of the said notification are given below:

(Amount in Rs.)

Particulars	SBN's	ODN's	Total
Closing cash in hand as on 08.11.2016	12,19,500	1,29,448	13,48,948
Add: Permitted Receipts	-	18,07,213	18,07,213
Add: Non Permitted Receipts	-	-	-
Less: Permitted Payments	-	14,70,865	14,70,865
Less: Non Permitted Payments	-	-	-
Less: Amount Deposits in Bank Accounts	12,19,500	-	12,19,500
Closing cash in hand as on 30.12.2016	-	4,65,796	4,65,796

Notes on Financial statements for the year ended 31st March, 2017

35. Related Party disclosures as identified by the management in accordance with the Accounting Standard - 18:

(a) Key Management Personnel and their relatives

Mr. G. P. Goenka (Executive Director w.e.f 20th May 2015)

Mr. S.V. Goenka (Director and son of Executive Director)

Mr. M. Mishra (Managing Director)

Mrs. M. Mishra (Wife of Managing Director)

(b) Group Companies/ Enterprises over which KMP/Relative have control:

ISG Traders Limited

Kavita Marketing Pvt. Ltd.

The aggregate amount of transactions with the related parties as mentioned in (a) and (b) above is as below:

(Rs. In Lakhs)

	Particulars	For the Year ended 31st March 2017	For the Year ended 31st March 2016
	Managerial Remuneration		
	-Mr. G. P. Goenka	228.19	90.66
	-Mr. M. Mishra	201.62	151.73
	Expenditure		
	-Rent		
	Mrs. M. Mishra	21.48	20.70
	Kavita Marketing Pvt. Ltd	2.40	2.40
	Outstanding		
	-Security Deposit Given		
	Mrs. M. Mishra	20.00	20.00
	Kavita Marketing Pvt. Ltd	35.00	35.00
	Remuneration Payable		
	-Mr. G. P. Goenka	147.93	6.50
	-Mr. M. Mishra	72.61	94.25
A	**Transactions during the year with ISG Traders Ltd**		
	1. Outstanding amount paid		80.00
	2. Loans Taken		
	ISG Traders Limited	-	1.00
	3. Loans Paid		
	ISG Traders Limited	-	1.00
	4 Loan Return		
	ISG Traders Limited	50.00	-
B	**Outstanding -ISG Traders Limited**		
	Loan Taken	313.24	363.24
	Interest Payable	184.71	135.57
	Security Deposit received	5.00	5.00
	Creditor/ Credit Balances	37.62	36.65
C.	**Investment In Shares of ISG Traders Ltd.**	3,229.70	3,229.70

Note:

(a) In respect of the above parties, there is no provision for doubtful debts as on 31.3.2017 and no amount has been written off or written back during the year in respect of debts due from/to them.

b) The above related party information is as identified by the management and relied upon by the auditors

Notes on Financial statements for the year ended 31st March, 2017

36.	**Disclosure of Loans and Advances as per the Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) are as follows:**					
	Investment by loanee companies in the shares of the company :-					
	Name of the company	**Year ended 31st March 2017**			**Maximum during the year**	
		No. of shares	**(Rs. in Lakhs)**		**No. of shares**	**(Rs. in Lakhs)**
	ISG Traders Limited	51,74,344	9,166.35		53,50,319	9,478.09
						(Rs. in Lakhs)
37.	**EARNINGS PER SHARE**		**For the Year ended**			**For the Year ended**
			31st March 2017			**31st March 2016**
	Net Profit/(Loss) attributable to equity shareholders		5,994.27			1,650.17
	Weighted average number of equity shares issued		1,56,08,350			1,56,08,350
	Basic and diluted earnings per share (Rs.) (Face value Rs 10/- per share)		38.40			10.57
38.	The company is engaged primarily in the business of "Paper" and all other activities are incidental thereto. Further, the company sells primarily in the domestic market where its operations are governed by the same set of risks and returns and the overseas sales are insignificant. Accordingly the separate primary and secondary segment reporting disclosure as envisaged in Accounting Standards (AS-17) on Segment Reporting is not applicable to the company.					
39.	Figures have been given in Rupees Lakhs and have been rounded off to two decimel places.					
40.	Previous year figures have been regrouped/ reclassified to confirm with current year presentation, wherever considered necessary.					

For Lodha & Co.
Chartered accountants

H K Verma
Partner

G.P. Goenka
Executive Chairman

Shiromani Sharma
M.P. Pinto
C.M. Vasudev
Savita L. Acharya (Ms)
Directors

Place : New Delhi
Date: 25th May, 2017

Saurabh Arora
Company Secretary

P.K. Agrawal
Chief Financial Officer

Madhukar Mishra
Managing Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(Rs. In Lakhs)

		Year ended 31st March 2017	Year ended 31st March 2016
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit/(Loss) before Tax and Exceptional Item	6,709.13	2,074.40
	Adjustments for:		
	Depreciation and amortization expenses	412.38	424.75
	Loss/(Profit) on sale of Fixed Assets	(1.06)	(3.80)
	Provisions/ Liabilities no longer required written back	(262.27)	(119.73)
	Foreign Exchange Fluctuation	(1.24)	1.25
	Provision for Mandi Fees dues	-	591.60
	Sundry Balances Written Off	-	8.29
	Interest Received	(97.18)	(60.97)
	Finance Costs	127.38	255.19
	Operating Profit before Working Capital Changes	**6,887.14**	**3,170.98**
	Adjustments for:		
	Trade and Other Receivables	250.42	(337.26)
	Inventories	(598.11)	(371.29)
	Trade and Other Payables	(1,378.50)	(1,200.35)
	Cash generated from Operations	**5,160.95**	**1,262.08**
	Income Tax (Paid)/ Refund (Net)	(1,325.65)	(53.61)
	Net Cash From Operating Activities	**3,835.30**	**1,208.47**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	(374.75)	(358.01)
	Current Investments	(3,202.61)	-
	Sale of Fixed Assets	4.25	6.51
	Interest Income	87.90	56.89
	Other bank Balance: Deposits with in 3 to 12 Months Maturity	34.42	(13.77)
	Net Cash From Investing Activities	**(3,450.79)**	**(308.38)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Short Term Borrowings	(238.54)	(705.89)
	Interest paid	(78.24)	(285.52)
	Net Cash From Financing Activities	**(316.78)**	**(991.41)**
	Net Increase/(Decrease) in cash & Cash Equivalents	67.73	(91.32)
	Cash and Cash Equivalents at the beginning of the year	424.11	515.43
	Cash and Cash Equivalents at the end of the year(Note No. 17)	**491.84**	**424.11**

Notes:

1. Cash and cash equivalents represents cash in hand and deposits/ balances with Banks.
2. The cash flow statement has been prepared under indirect method as per Accounting Standard -3 on "Cash Flow Statement"

This is the cash flow statement referred to in our Report of even date

For Lodha & Co.
Chartered accountants

H K Verma
Partner

G.P. Goenka
Executive Chairman

Shiromani Sharma
M.P. Pinto
C.M. Vasudev
Savita L. Acharya (Ms)
Directors

Place : New Delhi
Date: 25th May, 2017

Saurabh Arora
Company Secretary

P.K. Agrawal
Chief Financial Officer

Madhukar Mishra
Managing Director



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

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. in Lakhs)

I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
		Turnover / Total income	32,412	Not Ascertainable
		Total Expenditure	25,727	
		Net Profit/(Loss)	5,994	
		Earnings Per Share	38.40	
		Total Assets	22,458.51	
		Total Liabilities	10,107.82	
		Net Worth	12,350.69	
		Any other financial item(s) (as felt appropriate by the management)		

II. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification:**
Attention has been drawn by the Auditors' under Para 3 of the Auditors' Report to the following notes of the financial results for the quarter and year ended 31st March 2017 –

Note no. 4 regarding non-provision for diminution in value of Investment in ISG Traders, impact of which is presently not ascertainable and as such cannot be commented upon by us.

b. **Type of Audit Qualification:** Qualified Opinion ~~/ Disclaimer of Opinion / Adverse Opinion~~

c. **Frequency of qualification:** Whether appeared first time ~~/ repetitive / since how long continuing~~

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not Applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

I. **Management's estimation on the impact of audit qualification: N.A**

II. **If management is unable to estimate the impact, reasons for the same:**
The company's investment in ISG Traders Ltd was evaluated in the previous year. However, no such evaluation has been carried out during the year. Pending this, no further provision for diminution, if any, in the value of investment has been considered as the same i

LODHA & CO KOLKATA Chartered Accountants

DELHI PAPER MILLS LTD.

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		not ascertainable. **III. Auditors' Comments on (i) or (ii) above:** As stated herein above, the impact with respect to above and consequential adjustments cannot be ascertained by the management and as such cannot be commented upon by us.	
III		**Signatories:**	
		• CEO/Managing Director	(Madhukar Mishra)
		• CFO	(Praveen Kumar Agarwal)
		• Audit Committee Chairman	(Shiromani Sharma)
		• Statutory Auditor LODHA & CO KOLKATA Chartered Accountants	For Lodha & Co Chartered Accountants Firm's ICAI Registration no: 301051E H. K. Verma (Partner) Membership No: 055104
		Place: New Delhi Dated: 25th May 2017	

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