emami paper mills limited
regd. office : Unit No. 1, 15th floor, ACROPOLIS, 1858/1, rajdanga main road, kasba, Kolkata - 700 107
phone : 91 33 6627 1301 fax : 91 33 6627 1338 e-mail : emamipaper@emamipaper.com website : www.emamipaper.in
CIN : L21019WB1981PLC034161

EPML/BSE_NSE/2021-22/
04th August, 2021

To
The Secretary,
BSE Limited,
Floor 25,Phirozee Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001
Scrip Code : 533208

To
The Secretary,
National Stock Exchange of India Limited,
Bandra Kurla Complex
Bandra (East)
Mumbai - 400061
NSE Symbol: EMAMIPAP

Dear Sir/Madam,

Sub: Submission of Annual Report for the Financial Year 2020-21 and the Notice of the 39th Annual General Meeting scheduled to be held on 27th August, 2021

In continuation to our letter dated 30th July, 2021 regarding Annual General Meeting, scheduled on 27th August, 2021, kindly find enclosed herewith a copy of the Annual Report for the Financial Year 2020-21 and a copy of Notice of the 39th Annual General Meeting scheduled to be held on 27th August, 2021, as per requirement of Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The same is available in the website of the Company i.e. www.emamipaper.in

Kindly take the same on record.

Thanking you,

Yours faithfully,

For **Emami Paper Mills Limited,**

EMAMI PAPER MILLS LTD. Kol-107

Debendra Banthiya
Company Secretary
M. No.F-7790

Encl: As Above

Friends of the EARTH

Reduce ■ Reuse ■ Recycle



Emami Paper Mills Limited

Annual Report 2020-21

1-15 About Emami Paper

This section covers who we are, where we operate, our business model and strategy, corporate action and a summary of how we performed.

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2 Board of Directors
4 Management's Insight
6 Review by the CEO
8 Cover Story
10 Know about us
12 Marketing & Sales Insight
14 Our Social Commitments
15 Corporate Information

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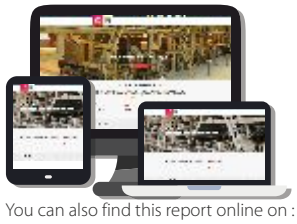
This section covers Board's Report which includes performance overview various policies and procedures adopted by the Company and Report on Corporate Governance.

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You can also find this report online on :
www.emamipaper.in

BSE Market Capitalisation as at 31st March, 2021	₹ 745.95 crores
NSE Market Capitalisation as at 31st March, 2021	₹ 749.58 crores
*AGM Date	Friday, 27th August, 2021 at 11.00 am
BSE Code	533208
NSE Symbol	EMAMIPAP
*AGM Mode	Video conferencing



What does the cover signify?

The cover portray a message that "Paper - Friends of the Earth" with its recyclability nature. There is a growing myth that the paper industry is destroying the forest wealth of the Nation and usage of paper should be reduced so as to save forest cover. But fact is, it is easily recyclable and more of recycled material including agriculture residues are being used in paper production. Thus, Emami Paper with this belief wants to give a message to all the stakeholders to have a faith on paper which is used in everyday life and poses minimal environmental degradation in compared to alternatives for many downstream user industries.



Our Founders
Mr. R. S. Goenka (Standing) & Mr. R. S. Agarwal (Sitting)

Board of Directors



Mr. Aditya V. Agarwal
Executive Chairman



Mr. Manish Goenka
Whole-time Director



Mrs. Richa Agarwal
Non-Executive Director



Mr. J. N. Godbole
Independent Director



Mr. S. Balasubramanian
Independent Director



Mr. H.M. Marda
Independent Director

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Mr. J. K. Khetawat
Independent Director



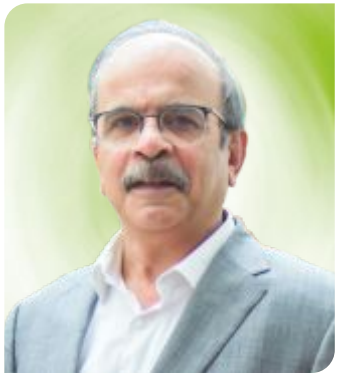
Mr. Shyamalendu Chatterjee
Independent Director



Mrs. Mamta Binani
Independent Director



Mr. P. S. Patwari
Executive Director



Mr. Vivek Chawla
Whole-time Director
& Chief Executive Officer



Mr. S. K. Khetan
Director (Operations)
& Chief Financial Officer



Mr. Aditya V. Agarwal
Executive Chairman

Mr. Manish Goenka
Whole-time Director

Management's Insight

Dear Shareholders,

FY 2020-21 was a year of new norms – new customer expectations and needs, and a new work environment – creating experience defying challenges. As an organisation, we not only adapted ourselves to the new reality, but also stayed on track in the pursuit of our long-term strategic objectives that would keep our growth sustainable by meeting the challenges head on.

Not in the living memory has humankind passed through as challenging a year as 2020-21. The Covid-19 pandemic broke out during the Q3 of 2019-20 and continues to wreak havoc across the globe by mutating into new strains and claiming millions as its victim. It ground the global market wheels and the socio-economic disaster that has followed in its wake will take years to mend.

With the devastation sparing none, the fact that our industry would also be hit is a no brainer. The paper and paper board industry faced headwinds in the form of a sliding demand for writing & printing grade of paper and a crippled logistic chain that hobbled input supplies and customer reach-outs. The turnover of your Company declined by~20%. However, it was a credit to the Company and the strategy it had followed, that its profitability stayed protected. It grew~34% over the previous year. The protected profitability testifies the intrinsic robustness of our business model that makes it cycle neutral.

Responding to the Call of the Nation

Living through normal times one tended to forget that your Company makes products that are critical in packaging designated essential commodities. The *black swan* that this pandemic was made us rise to the occasion and respond to the call of the Nation. It's time to remember that like all others we were also forced to suspend operations due to the pandemic. But when the time came and we were allowed to reopen to cater to the needs of several downstream industries whose products are "essential in nature", we quickly responded by being one of the first to be off the blocks.

We were able to swim through this pandemic due to the vision and far sightedness of the management. Our focus on resilience, agility and adaptability helped us tide over the prevailing raw material crisis and a subdued demand for certain grades of paper. Post unlocking, through aggressive marketing and sales strategies of our value-added product basket and with an enthusiastic staff working round the clock we managed to stem the impact of the pandemic.

Key challenges and counter measures

The financial year 2020-21 witnessed a sharp increase in the input costs along with sliding demand in certain sections of papers. The extent of decline and the abruptness could have tested the viability of any Company. We are pleased to report that your Company responded with speed to the new reality. We deepened our focus on value-added products where the demand was less erratic and on products that enjoyed superior returns.

You would be happy to note that while scaling up on a steady

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note we have also been consistently strengthening our balance sheet. Our efforts towards rationalising debt helped in deleveraging the balance sheet. It also helped us in reporting an improved financial matrix. During the year, our total borrowings went down by ₹183.48 crores. We also managed to slash our finance cost by ₹22.09 crores.

In a bid to widen and strengthen our footprint and to ensure continued service to our international customers, our teams were active in our key international markets like Bangladesh, Vietnam, Middle East, Thailand and Sri Lanka.

We have always placed great emphasis on Research and Innovation and investing resources on it. Our R&D initiatives have emerged as the harvesting ground for product and process innovation, while raising efficiencies at our manufacturing units. We have deeply ingrained sustainability as our strategic pillar and have laid great emphasis on our Environmental, Social and Governance (ESG) practices. Guided by the sharp acumen of our Board, we are working tirelessly towards implementing these strategic pillars without straying from our sustainability policy. We diligently follow TPM with an objective to achieve zero defects, zero breakdowns, zero pollution and zero loss. We always try to ensure the highest standards of corporate governance in all our actions. As we move ahead, our focus on sustainability and ESG remains unwavering.

Sectoral outlook

India is one of the fastest growing economies globally and the Government of India is determined to make it a five trillion economy by 2025. The projected growth in the economy is expected to boost the disposable income and that, in turn, would raise consumption, particularly in FMCG and other consumable products, e-commerce industry, branded products packaging, sealable paper packaging bags. Growth in consumable products would drive the consumption of paper required in packaging. With the growth in the consumption of paper, concern is now focussed on sustainable manufacturing practices.

As you are aware, we have always kept sustainability as our major operational driving plank. So it's no longer a challenge for us. We are ahead in the race in this regard. At Emami Papers, *"Reduce, reuse and recycle"* is the mantra that drives us. We have taken proactive measures to *reduce* the amount of consumables and resources that we use in our production line. This has resulted in less pollution, less energy usage and less wastage, thereby minimising the impact of manufactured materials on the environment.

With increasing awareness, environment protection has become an issue of global attention. To make their products sustainable, global corporations are using more *recycled* packaging materials in their product line and various brands have set different timelines for replacing the virgin stuff with recycled material. Further, with enhanced focus on sustainability by the manufacturers and growing consumer preference, premium is likely to be commanded by recycled products over the virgin one.

The pandemic has inspired deeper scrutiny of environmental health. Your Company is not an exception in this regard. We have initiated steps to *reuse* existing production lines to manufacture value-added products. Along with this various integration measures have also been initiated to achieve full capacity utilisation with minimal impact on the natural resources. It has also strengthened our perception that a cleaner world will inevitably strengthen collective immunities and well-being. We must not forget that this pandemic has largely been blamed on the eroding environment and we, at Emami, have taken it seriously. Driven by this realisation we have tuned our existing production practices and have laid focus on copier segment, kraft paper segment, recycled paper-board segment and maplitho grade writing and printing paper.

However, challenges are also there in terms of raw material security at competitive prices, free trade agreements resulting in cheaper imports without safeguarding the interests of domestic manufacturers, an increased focus on digitisation especially since the onset of Covid-19 pandemic, capital intensive nature of the industry and easy availability of plastic in the packaging industry. These challenges may hit the domestic paper and paper board sector adversely in the short term but we are bracing ourselves to absorb the impact while keeping the interests of the stake holders intact.

Spreading smiles

At Emami Paper, we align our business priorities with social commitments as part of our sustainability initiatives.

Our Company views its human resources as its most valuable asset. Nurturing an empowering organizational culture, the Company encourages its employees to deliver quality performance. The Company believes that the ability to deliver value to its customers depends essentially on its ability to attract and retain skilled & trained manpower.

We also nurture a sensitive concern for the community. We are committed to invest in community development and the environment around us thereby benefiting the society at large. Our community initiatives include health awareness camps, eradicating hunger, maintaining safe plant operations, environment consciousness and social infrastructure, amongst many.

Optimism

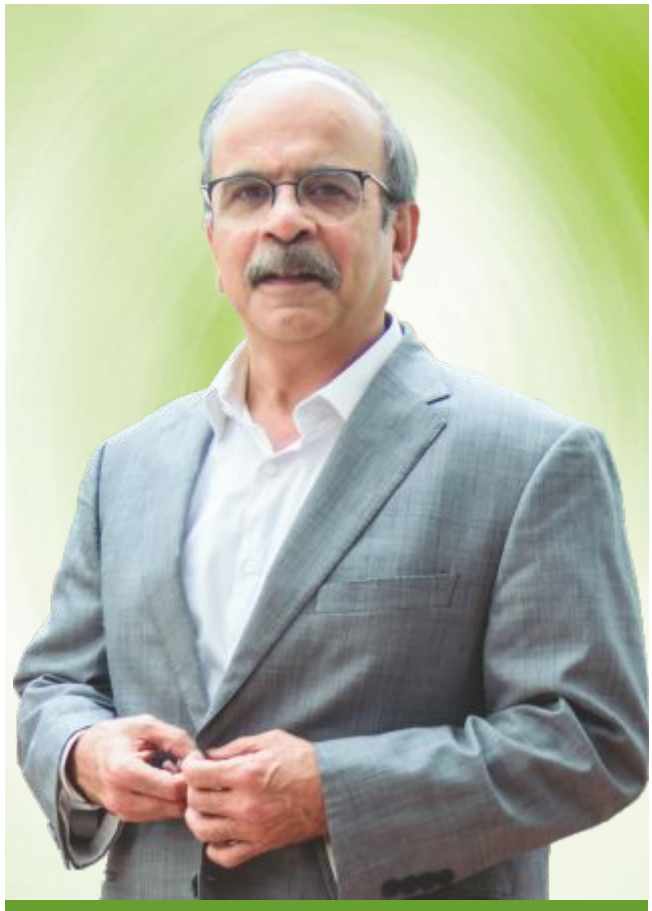
Being a paper manufacturer with sizeable manufacturing capacities, enriched product portfolio, strong marketing and sourcing network, a strong balance sheet and reduced repayment obligations, we are uniquely positioned to deal with the most alarming issues of the day and take our share of pie in long term sectoral growth barring some short-term heat waves, which may come across due to challenges mentioned above.

We are thankful to all our stakeholders for their unstinting support. We remain motivated to build a sustainable, long-term future and add significant value for all across the coming years.

With best regards,

Aditya V. Agarwal, *Executive Chairman*

Manish Goenka, *Whole-time Director*



Review by the CEO

Mr. Vivek Chawla, Whole-time Director & Chief Executive Officer, analyses performance of the Company in a challenging scenario

At Emami Paper, our operations are singularly conditioned by considerations for the growth of all the stakeholders. To achieve this, we have always focused on strengthening our resources so that growth initiatives could be kept as a continuum. Our strategy has always been to anticipate demand from downstream user industries and act on it in a manner that would not only reduce debt burden, but would also unleash the benefits of our products' value chain efficiently. We aim to build a robust Organisation to fortify our topline and bottomline so as to ensure a higher return to our stakeholders that would be industry cycle neutral.

Macro Perspective for the Year under Review

All our beliefs and the operational dynamics, assiduously created over time, were put to test by the pandemic. The outbreak of the novel coronavirus impacted the Indian economy during the first quarter of the year under review. The Indian economy de-grew an unprecedented 23.90% in the first quarter of 2020-21 -- the sharpest experienced by the Country since the Index was prepared. The Central and State Governments selectively lifted controls on movement, public gatherings and events from June 2020 onwards. India's relief consumption, following the lifting of social distancing controls, translated into a full-blown economic recovery. The Indian economy is projected to grow by more than 10% in FY22 as per various institutional estimates, making it one of the fastest-growing economies. Should the prediction come true it would be the result of a combination of a set of favourable tailwinds like consistent agricultural performance, flattening of COVID-19 infection curve, increase in Government spending, reforms and an efficient roll-out of vaccines, among others.

The Indian paper industry accounts for 4% of the global paper production and is estimated to contribute ₹ 5,000 crores to the exchequer. Given the pandemic it was but natural that our industry would also be affected and did by disrupting the supply chain. There was an economy wide demand compression resulting from the lockdown. Educational institutes, commercial establishments and the downstream printers, publishers, stationery product manufacturers and many small & big time converters downed shutters.

Naturally we were also affected. But our focus on strengthening our resources and on creating operational efficiency paid dividend. We were one of the first to get back into operations with all the required safety measures in place. We must not forget that our products critically serve the needs of various downstream industries - newspaper manufacturers, packaging requirements of FMCGs and pharma companies, as well as the requirements of certain other essential commodity industries. We rose to the occasion and responded to the call of the Nation to deliver at a critical juncture of our industry. We tied up with various logistic companies to ensure that our product reaches even the remotest corner of the Country.

Operational overview

Despite various headwinds arising out of the coronavirus pandemic, we resumed our operations successfully and achieved pre-covid level capacity utilisation. We successfully overcame expected and unexpected challenges affecting our operations by implementing stabilisation strategies and embracing agility.

Concurrently, we also strengthened our product mix. Our Paper machines at Balasore with a combined production capacity of 1,40,000 TPA were realigned to manufacture kraft paper, superior grade writing and printing paper and copier paper. We also manufactured superior grade newsprint paper

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for our existing clients from these machines. We successfully developed and manufactured regal and superfine 40 GSM paper which is used mainly by pharma companies as inserts in their boxes. Our Packaging Board machine with an installed capacity of 2,00,000 TPA and a deckle of 3.6m is capable of making various grades of high-end Coated packaging boards.

Various initiatives by our R&D team related to pulper machine, rewinder machine, rotor machine section along with usage of indigenous cationic starch & oxidized starch and introduction of clean water into DAF for clarification purpose resulted in savings of our input cost and energy consumption, while, at the same time, improving the quality of paper and paperboard. We also initiated various energy conservation measures mainly at cooling towers, secondary fibre treatment plants and ETP which resulted in a substantial saving of power usage.

By complying with various environmental policies as laid down by the management, we reduced our air emissions & liquid discharge and also adopted an approach of minimum waste and maximum reuse. These measures helped us achieve water conservation, co-generation of power and utilisation of effluent into green belt development.

Our passion for paper translates down to the shop-floor. This helped us to enhance our readiness to face sectoral adversity and, in turn, it helped strengthen our operational performance during this *black swan* period.

Performance overview

Our agility helped us post encouraging operational numbers. However, the sluggish demand conditions for Writing & Printing and Newsprint, which had prevailed since the onset of the pandemic, continued to affect the overall paper industry. But amidst the gloom there was a sliver of light. The paperboard segment lifted our morale and we achieved a total revenue of ₹1,236.58 crores. Despite the increase in prices of raw materials such as waste paper, pulp, chemical, dyes and coal, our steps towards cost optimisation led to an improvement in the Net Profit margin to 4.20% and Return on Net Worth stood at 8.75%. We also pared our debt burden significantly.



We must keep in mind that it was an exceptional time and it had an exceptional impact on the global economy. However, with life getting back into normal, educational institutions and commercial establishments resuming their normal activities and the huge demand for newspaper, the huge potential of the Indian paper manufacturing industry is expected to be unlocked. It is only proper to remind ourselves the fact that in 2019-20 a total of 9,840 dailies were published with a total readership of 29,15,35,681 (*Source: rni.nic.in*) and we thus expect to report a better 2021-22 and even better reports going forward.

Quality objectives at Emami Paper

We at Emami Paper believes that quality doesn't start and stop with the product. It starts with us, runs through the shop-floor and stops at the doorstep of the customer. Quality is not limited to the products we manufacture, but it is reflected in the manner we handle every aspect of our business. We ensure superlative quality control through continuous monitoring and standardised practices at our manufacturing sites. Our quality control is created over a span of several years and is based on international framework and benchmarks. Our products are FSC certified. A testimony of our product superiority can be derived from the fact that we remain one of the few companies in India with the ability to manufacture low GSM kraft paper which is used by packaging industry.

Outlook

Barring the short-term challenges created by the pandemic, the country's paper industry is in good health; especially the paperboard segment accounts for 52% of paper requirement in our country. The government's thrust on the education sector is likely to boost paper demand from a per capita consumption figure of 13 kg which is considerably lower than the international average.

Looking forward, we expect to double our capacity in 3-5 years through brownfield expansion. We have a broader product offering and a wider geographical reach. Our entrepreneurial spirit and a very competent team will enable us to achieve the desired corporate goals. We know our job is to create value for all our stakeholders. We are honoured to have that opportunity, and we look forward to a prosperous future together.

Best wishes,

Vivek Chawla
Whole-time Director & Chief Executive Officer

Wood paper production declined by

15% in the last two decades.

Use of waste paper increased by

28% in the last two decades.

Paper production increased by

322% in the last two decades.

Emami Paper reported Profit before tax growth of

34% in last one year.

[Source: printweek.in]

At Emami Paper, we believe in being active participants in changing and nurturing the world for the better. We believe in preserving resources for the future through an inter-mix of

3R's

Reduce i.e. lessening the usage of water, fossil fuels etc.

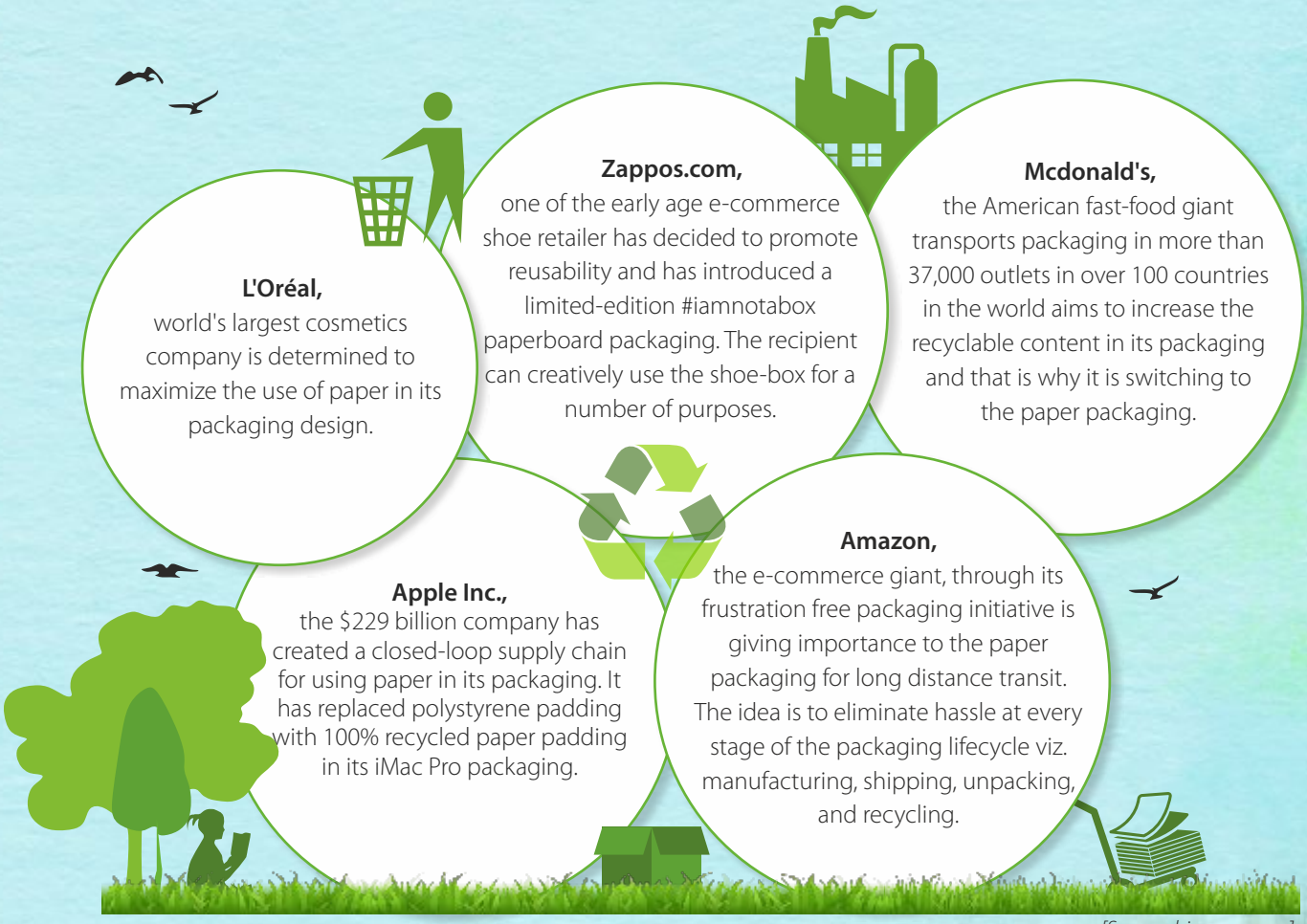
Reuse i.e. utilizing treated water and reutilizing the existing product

Recycle i.e. use of waste papers in remaking the paper



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Globally renowned brands are leading the way forward in growth pattern of their paper consumption



[Source: bizongo.com]



Know about us

Ever since its inception Emami Paper has continuously evolved

From being Eastern India's largest low-cost Newsprint manufacturer, the Company has successfully moved on into the manufacturing of value-added paper board, kraft paper, premium copier and maplitho segment.

From provider of newsprint materials to India's leading newspapers, Emami Paper has now moved up the ladder and catering to the packaging requirement of the leading players in the FMCG, Pharmaceuticals, Food, Footwear, IT- Hardware and E-commerce segment. It has also moved up its ante to create a niche for itself in the books, cartoon and office copier segment.

The matured business model and sensible decision-making has resulted the Company to maintain its leadership position, thus generating a sustainable value for all its stakeholders.

Heritage: Flagship Paper manufacturing Company of the illustrious Emami Group.

Identity: One of India's leading paper manufacturer, with product-line featuring well-established brands in all grades of paper and boards ranging from 40 GSM to 450 GSM and servicing multi- product segment including, News Print, Packaging Board, Writing & Printing Paper, Kraft Paper and Business Stationery Paper.

Global Presence: Company market and export its products across Bangladesh, Vietnam, Middle East, Thailand, Sri Lanka, etc.

Locations: Headquartered at Kolkata; 2 manufacturing units: Balasore in Odisha and Dakshineswar in West Bengal; Regional/Zonal office situated at Mumbai, New Delhi and Hyderabad. Dealer network spread across Pan India basis.

People: Total strength of ~3,000 as on March 31, 2021.

Certification: Company has been Certified for ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), ISO 45001:2018 (Occupational Health & Safety Management System), Practicing TPM with an objective to achieve zero defect, zero breakdown, zero pollution and zero loss.

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Emami Paper is a responsible and eco-conscious citizen thereby touching lives everyday





The strength of Emami Paper is derived from its paper-perfect strategies

A Perspective by **Mr. S. Mukherjee**, *Head - Marketing and Sales*

We focused on

- Quality imperatives
- Product diversification
- Robust distribution network
- Deepened Our Global presence

We are the BEST... after nature

Manufacturers of International Quality Packaging Boards (FDA & FSC Certified)

Emami EcoStrong
Virgin Top Grey Back

Emami MaxoFold
Folding Box Board

Emami MaxoFold HB
Folding Box Board

Emami GlamKot
Coated Bleached Board

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Overview

Emami Paper is known for its strong product portfolio management, best-in-class quality as well as innovation in products and services, and is confident of meeting customer expectations. The Company is one of the most respected brands within the segments of its presence in India. Over the years, the Company has brought a differentiated capability to its brand by continuously upgrading its manufacturing facility and product diversification. In a business often dismissed as a cyclical commodity and where product differentiation is perceived to be negligible, there is a premium on the need to brand products with the objective to generate a superior recall. These initiatives have enabled the Company to emerge as a first-mover in a competitive industry and report economies of scale even in sluggish macro-economic environments.

Strengths

Diversified product range: The Company offers superior quality of paper in a grammage range of 40 to 450GSM (Grams Per Square meter). Through our board mill which is also recognised as one of the advanced board mills in the country, we manufacture finest quality Recycled Virgin Top Grey Back board – Emami EcoStrong, Folding Box Board- Emami MaxoFold, Coated Bleached Board – Emami GlamKot and White Top Kraft Liner in the grammage range of 170 to 450 GSM.

Premiumising: The Company manufactured "Finest quality Kraft Paper" which was exported majorly to China and Vietnam. Board manufactured by the Company enjoys high recall in the market and can easily be used as a substitute to the nearest grammage of other mills due to its high bulk and stiffness. The packaging board products have been nominated by major multinational companies in India and abroad. The quality functional team maintains stringent quality measures in the entire production process of the board plant. Result: Strong board and light in weight. Further, "anytime-anywhere" approach derived by the Company makes the product easily available at every corner of the country.

Team: The Company's sales team comprises of employees with a mixed age group having a right mix of rich experience and enthusiasm. The Company also has a dedicated technical services team to address any issues arising at converters place.

Robust distribution network: The Company has dedicated & focused channel partners spread across the country and also have a wide spread agent base across the globe.

Export: For decades, the Company has focused itself on the geographies within India. In the last few years, it has widened the geographical footprint to global destinations with a singular objective: to moderate risks associated by being largely present in a single geography. During 2020-21, the Company exported ~ 9,600 MT of Kraft paper to South-East Asian countries. It also exported around 60,000 MT of Packaging Boards to different countries and have established itself as a premium grade finest quality board manufacturer.

Going virtual: Since the onset of the pandemic many of the sales team members were not able to travel to customers' places. Thus, the customers were serviced through virtual mode and all their queries and technical support was given on 24 x7 basis. Even in the virtual mode the team was able to create customer delight and seamless supply chain. To enhance the team work the company is planning for a virtual dealers meet.

Road ahead

The Company intends to increase its reach to more retailers and converters. It also intends to realign and dedicate one of its Paper Machine to manufacture superior quality Kraft paper. The Company also intends to enhance its focus on value added, niche segment products, and create value at customer's place.



The strength of Emami Paper is derived from its social commitments

At Emami Paper, we believe that if the society prospers, the business sustains and grows. Sustainability for us includes sustainability of our business, our manufacturing systems that need to be eco-friendly, as well as being contributors to our society.

We are committed to:

a) Enhance health and education awareness.

b) Conduct affairs of our Company in a socially acceptable manner.

c) Understand, support and develop the communities and the cultures within which we operate and work.

d) Protect the environment and ensure safety of the people connected with the Company and the surroundings.

e) Enhance the value of the Company through sustainable growth.

CSR obligation for F.Y. 2020-21 ₹ 32.30 lacs

CSR spent for F.Y. 2020-21 ₹ 47.50 lacs

CSR excess amount spent in F.Y. 2020-21 ₹ 15.20 lacs

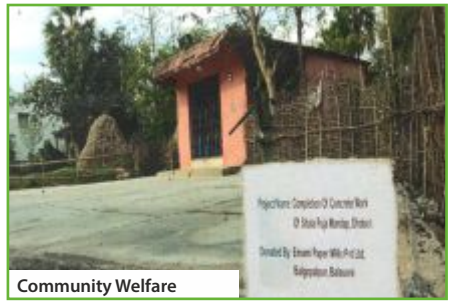
CSR GOALS


Promoting Health care


Financial Assistance - CM's Relief fund


Blankets distribution


Animal Welfare


Community Welfare


Rural Development

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Corporate Information

BOARD OF DIRECTORS

Mr. Aditya V. Agarwal
Executive Chairman

Mr. Manish Goenka
Whole-time Director

Mrs. Richa Agarwal
Non-Executive Director

Mr. J. N. Godbole
Independent Director

Mr. S. Balasubramanian
Independent Director

Mr. H.M. Marda
Independent Director

Mr. J. K. Khetawat
Independent Director

Mr. Shyamalendu Chatterjee
Independent Director

Mrs. Mamta Binani
Independent Director

Mr. P. S. Patwari
Executive Director

Mr. Vivek Chawla
Whole-time Director & Chief Executive Officer

Mr. S. K. Khetan
Director (Operations) & Chief Financial Officer

COMPANY SECRETARY

Mr. Debendra Banthiya

BANKERS

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

REGISTERED OFFICE:

Acropolis, Unit No.1, 15th Floor,
1858/1, Rajdanga Main Road, Kasba,
Kolkata - 700 107

☎ +91 33 6627 1301

✉ investor.relations@emamipaper.com

🌐 www.emamipaper.in

CIN: L21019WB1981PLC034161

WORKS:

- Balgopalpur, Balasore - 756 020, Odisha
- R. N. Tagore Road, Dakshineswar, Kolkata - 700 035, West Bengal

REGISTRAR AND TRANSFER AGENTS:

Maheshwari Datamatics Private Limited,
23, R N Mukherjee Road
Kolkata - 700 001, West Bengal, India

☎ +91 33 2248 2248

✉ mdpldc@yahoo.com

STATUTORY AUDITORS

Agrawal Subodh & Co.,
Chartered Accountants
301, Victoria House, 3rd Floor
1, Ganesh Chandra Avenue,
Kolkata - 700 013

SECRETARIAL AUDITORS

MKB & Associates,
Company Secretaries
Shantiniketan, 5th Floor
8, Camac Street
Kolkata - 700 017

COST AUDITORS

V. K. Jain & Co.,
Cost Accountants,
Bikaner Building, 3rd Floor
8/1, Lalbazar Street
Kolkata - 700 001

Board's Report

Management Discussion and Analysis



> Per capita paper consumption in India stands at a little over 13 kg which is relatively lower compared to the global average of 57 kg and significantly below 200 kg in North America and the Asian Countries average of 40 kg leaving scope for big rise in demand in India.

A. INDUSTRY STRUCTURE & DEVELOPMENTS

GLOBAL PAPER INDUSTRY

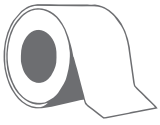
Global paper and paperboard industry is one of the largest industries in the world. Market size of paper industry is projected to reach USD 368.10 billion by 2027 exhibiting a CAGR of 0.8% despite increasing trend of digital economy and rapid penetration of internet. Increasing demand for Eco-friendly packing materials is driving the Market. Paper is the most sustainable and recyclable packaging material available in the world today. Owing to the rising environmental concerns, both manufacturers and consumers are shifting their preference towards more sustainable paper packaging solutions. The leading food, cosmetic, pharma and FMCG companies are continuously engaging with paper manufacturers to develop advanced paper packaging solutions to meet their commitment towards sustainability.

North America, Western Europe and East Asia account for the majority of share of paper and paper boards. Asia pacific is the leading consumer of paper in the world and is expected to lead the global market in coming years. China is the leading producer and consumer of pulp and paper in the world. China's per capita paper consumption is around 76 kg. which is higher than global per capita paper consumption of 55 kg. India is projected to register strong growth due to the increasing demand of paper based products. The South East Asian countries are also projected to indicate positive growth. Healthier economic growth backed by the improving lifestyle in Vietnam, Indonesia and Malaysia is expected to create potential opportunities. E-commerce is also likely to drive the global paperboard market; the global e-commerce market is expanding at CAGR 12.9%. Online retailing in the emerging economies such as China, India and Brazil is increasing. Consumers, especially youngsters are buying groceries, food, cosmetics and many other goods online. According to India Brand Equity Foundation, online shoppers are projected to reach 220 million by 2025.

Paper industry, occupies a prestigious position, among the various manufacturing enterprises in view of its significant contribution to the society. Role of paper in promotion of literacy & education, print media for an important source of information & knowledge and in packaging of commodities of commercial value, makes it an indispensable product. Over all, the paper industry is projected to remain steady and healthy across the globe.

In short term, COVID-19 with outbreak of second wave, is expected to have a severe impact on the Global paper demand with the lockdowns, restriction in the movement of people, closure of

educational institutions and offices with the steps taken by the various governments across the world to contain the spread of Corona virus. However, the long term growth will be propelled by sharp rebound in the consumption in 2021-22.



INDIAN PAPER INDUSTRY

India accounts for 4% share of the global paper production even as it accounts nearly 18% of the global population. The size of the Indian paper industry was estimated at ₹ 70,000 crores per annum contributing about ₹5000 crores to the exchequer. The industry provides direct employment to 5 lac people and indirect employment to 15 lac individuals. India's share in global paper demand is gradually increasing with the rising domestic demand while demand in western nations are contracting.

The Indian paper industry is classified into four segments, Writing & Printing Paper, Packaging Paper & Board, Specialty Papers & Others and Newsprint. Writing & Printing Paper segment forms 29% of domestic paper market. Rising income levels, growing per capita expenditure, likely pick up of the education sectors covering more rural areas will boost the demand with focus under various educational schemes by Central and State Governments. Packaging Paper and Board segment accounting for 52% of the total demand in India and the largest segment in the industry. High growth in FMCG, Pharmaceuticals, processed foods, requirement of quality packaging products marketed through organized retail and increasing preference to ready to eat foods by rapid urbanization, increasing preference of consumers for e-commerce for almost all consumer products and ban on single use of plastic proposed by the Government of India are the main factors for increasing demand of this segment. Newsprint segment comprises 13% of the Indian paper demand and grew at a CAGR of 2.5% on the backing of improving literacy and increasing circulation of vernacular dailies. Specialties paper & others is the smallest segment of the industry accounting for 0.45%, includes especially tissue paper which is the fastest growing segment considering a huge focus on health and hygiene awareness during COVID-19 arena.

The per capita paper consumption in India stands at a little over 13 kg which is relatively lower compared to the global average of 57 kg and significantly below 200 kg in North America and the Asian Countries average of 40 kg leaving scope for big rise in demand in India. A culmination if all these factors is expected to drive the overall demand at a rate of 6%-7% for the next two to three years after recovery from the disruption of demand due to COVID-19 which is considered a short term challenge.



Demand Drivers can be divided into two major sectors, i.e., Demography & Finance and Downstream Sector as explained below:

A. Demography and Finance:

Urbanization: By 2030, approximately 40% of the global population could reside in urban India (34% today) catalyzing paper demand.

Age: Approximately 66% of the India's population is below 35 years; the median age of the country is estimated at 28 years (global average 30 years). This youthful population is driving the use of writing and printing paper by students and through e-commerce.

Increasing Incomes: The nominal per capita net national income in 2019-20 was estimated at ₹ 1,35,050/- a rise of 6.8% compared to earlier year, strengthening paper demand.

Rising literacy levels: Government initiatives (Sarva Siksha Abhiyaan and Mid-Day Meal Scheme) helped strengthen India's literacy rate from 65% in 2001 to 74% in 2011 to ~ 78% in 2018.

B. Downstream Sector:

Newspaper circulation: The readership of newspapers increased from 407 million in 2017 to 425 million readers in 2019, strengthening the demand of newsprint.

E-Commerce boost: The e-commerce is expected to grow on the back of urbanization and internet penetration, strengthening packing paper demand with retail online sales increasing everyday.

Health and hygiene awareness: with increasing hygiene awareness in urban and rural India, the demand of medical grade paper (tissue) is gaining huge demand.

Education: Both Central and State Government allocate huge funds for education sector in their respective Budgets. With the increasing spending on education, the demand of writing paper is expected to grow further.

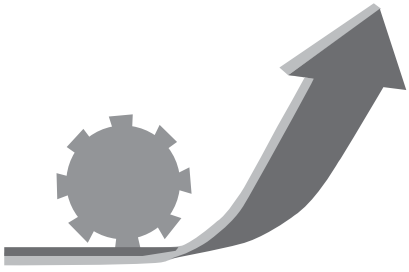
Challenges for Indian Industry facing COVD-19:

COVID-19 has severally disrupted the demand of paper and paper board across all segments since March, 20 and during the financial year 2020-21. For the year as a whole, the

Board's Report

demand contracted approximately by 10-15% compared to financial year 2019-20.

i) **Writing & Printing Paper and Newsprint:** Demand remained seriously affected due to disruption in the consumption of printed books, note books and commercial grade printing as most of the educational institutions, Government and Commercial establishments reduced drastically. However, in long run, demand will revive due to Government spending education under Right to Education Schemes and gradual revival of economy. Demand of Newsprint is also affected due to reduction of circulation to semi-urban areas, increased circulation of E- Newspapers and decline in advertisement revenue of the newspaper publishers which is likely to reach to the Pre-COVID level with the revival of economy and withdrawal of restrictions in the movement of people. Demand of Printing Paper also affected due to lower spending on calendars, brochures, magazines etc. which is expected to rise with the increased government spending, corporate supplies and jobbers' requirements.



ii) **Packaging Grade:** Demand is expected to be positive for pharmacy, food and essential packaging segment. Overall demand growth will be better due to increase in e-commerce, pharmacy, FMCG and other consumer packaging. Demand of single use paper cup and disposables are expected to be high.

However, post COVID-19 pandemic, there will be growth opportunities for the Indian Paper, print and packaging industry, disposable cups, bowls and cartons, corrugated boxes and branded packaging for online delivery and sealable paper products as substitute for single use plastics. Demand from the education sector will also get momentum once the situations normalize after COVID-19.

EMAMI'S INDUSTRY PRESENCE

Your Company has paper mills located at Balasore (Odisha) and Dakshineswar (W.B., Kolkata), are most environment friendly paper mills in Eastern India. Considering the changed and challenging scenario, the Company has incorporated flexibility in paper machines to manufacture value added writing and printing paper. The Company is now having flexibility to manufacture premium grade kraft papers, newsprint and writing & printing paper on all paper machines up to 1,60,000 TPA capacity. Our Packaging Board Plant with an installed Capacity of 2,00,000 TPA Manufactures Consumer packaging board of recycle grade as well as that of virgin grade. Company's diversification into paperboard segment is now most discussed success story in the paper industry because of the tremendous performance of its board machine, appreciated market acceptance of the company's paperboard. Our paperboard has also a good reputation in export market and about 40% of its recycle grade paperboard is exported to overseas market.

OPPORTUNITIES AND THREATS



OPPORTUNITIES

- Strategic location – proximity to raw materials and nearness to the market.
- Large and growing domestic paper market and increasing export market for its products.
- Pan India presence with best logistic companies to cater fast track delivery of its products
- Close proximity to Mahanadi Coalfields Ltd (MCL) for Balasore plant and Raniganj-Asansol (ECL) belt for Kolkata unit for procurement of coal and also proximity to Haldia port for import of pulp, wastepaper, chemicals, spares & machineries.
- Strong team having sound technical knowledge and visionary managerial capabilities to ensure production of world class quality products and best business operation.
- Strong customer base and dealers/distributors network.
- Governments thrust for education and literacy coupled with increasing disposable income in developing economy.
- Availability of sufficient good quality ground water with the required permissions from Central Groundwater Authority as well as from Odisha State level authorities
- Well established Research and Development (R&D) facilities/activities encouraging innovation, product development and cost saving.
- Steady increase in preference to branded products by consumers, booming e-commerce and healthy growth in organized sector are the driving force for robust demand for paper and paperboard.
- Lowest cost manufacturer with advanced technology for manufacturing of writing & printing paper, newsprint and multilayer paperboard with self-sufficient captive power plants.

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❖ E-commerce is growing rapidly, translating into an increased traction for packaging paperboard

❖ With a number of countries replacing plastic bags with paper equivalents, paper industry opportunities are growing

❖ Preferred supplier status amongst leading end-use customers and brands

THREATS

❖ Quality and cost competitive raw material

❖ Numerous Regional Trade scheme (RTs)/Free Trade Agreement (FTAs) and competition from imports without adequate safeguard to the domestic industries.

❖ Increasing competition from electronic media and digitalization (for newsprint).

❖ Fragment nature of industry having small and unorganized industry players

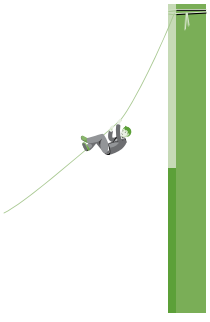
❖ Capital-intensive industry and high cost of technology

B. PERFORMANCE & OUTLOOK

The details have already been covered in the Board's Report.

C. RISK AND CONCERNS

Your Company identified various risks and implemented its Mitigation Plans. Risk Policy and monitored frameworks has been approved by the Audit Committee and the Board of Directors of the Company. Risk reporting and monitoring is being conducted regularly by Governance Risk and Compliance Committee (GRCC) at all the operation levels and reporting directly to the Audit Committee and the Board on half-yearly basis.



D. INTERNAL CONTROL SYSTEM

Your Company has an adequate and effective Internal Control Mechanism in place to ensure efficient conduct of its operations, security of assets, prevention and detection of frauds/errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information as per its Management Information System (MIS). These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations and protecting assets from unauthorized use or losses, compliances with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

Apart from strong internal control, your Company has also appointed external and independent Audit Firms as its Internal Auditor for periodical checking and monitoring the Internal Control Measures for both its plants at Balasore and Kolkata.

Internal Auditors are present at the Audit Committee Meetings where Internal Audit Reports are discussed alongside of management comments and the findings and observation of the Internal Auditors. The Terms of Reference of the Audit Committee inter alia includes reviewing the adequacy of the internal control environment, monitoring implementation of the action plans emerging out of Internal Audit findings including those relating to strengthening Company's Risk Management Systems and discharge of statutory mandates.

Your Company has a Comprehensive Budgetary Control System in operation and its' Key Performance Indicators (KPI) are set for all important operational parameters. These are monitored and reviewed regularly by the management in Management Committee Meetings, which is chaired by the Executive Director of the Company and participated by all departmental heads and necessary corrective and preventive actions are being initiated.

E. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial Performance has been detailed in the Board's Report.

F. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Highly capable and skilled human resources with strong motivation and dedication is the backbone of your company's success and growth. From its foundation, company's employment philosophy and practices have been based on the recognition that its people are the primary source of its competitiveness.

Your Company consistently abides by human resources policy that is found on a set of following principles: equality of opportunity, continuing personal development, fairness, mutual trust and teamwork. The company takes several measures for suitable appointment, skill development and retention of human resources including but not limited to effective appointment system, employee training (on duty as well as structured trainings), goal setting, performance based appraisal, retention by creation of a nice work place, employee engagement activities and leadership development.

Board's Report

Your Company's employees have collectively envisioned the future with commitment to realise your Company's vision of creating enduring value for the company as well as for the society at large.

Number of people employed: 1,312

G. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

Sr. No.	Particulars	Key Financial Ratios		Changes between current F.Y. and Previous F.Y	Explanation
		2019-20	2020-21		
i	Debtors Turnover	7.25	5.93	-1.32	Improvement in the operating performance and reorganisation of capital
ii	Inventory Turnover	5.78	5.91	0.13	
iii	Interest Coverage Ratio	2.47	2.29	-0.18	
iv	Current Ratio	0.69	0.68	-0.01	
v	Debt Equity Ratio	3.56	0.75	2.81	
vi	Operating EBITDA Margin (%)	16.36%	14.92%	-1.44%	
vii	Operating Profit Margin (%)	14.28%	12.86%	-1.42%	
viii	Net Profit Margin (%)	-0.69%	4.20%	4.89%	

H. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

Sr. No.	Particulars	Key Financial Ratios		Changes between current F.Y. and Previous F.Y	Explanation
		2019-20	2020-21		
i	Return on net worth	6.90%	8.75%	1.85%	Improvement in the operating performance and reorganisation of capital

I. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements' within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. The important factors that could make a difference to the Company's operations include global and Indian demand and supply conditions, finished goods prices, raw material availability and prices, cyclical demand, changes in government regulations, environmental laws, tax regimes, economic developments within India and the world, as well as other factors such as litigation and industrial relations.

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"Your Company has maintained its leadership position in the high-end packaging board segment and continues to consolidate its preferred supplier status amongst leading end-use customers & brands"

Dear Shareholders

Your Directors take pleasure in presenting their Thirty Ninth Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2021.

FINANCIAL SUMMARY

(₹ in crores)

Particulars	2020-21	2019-20
Revenue from Operations	**1,216.27**	**1,515.32**
Other Income	20.31	3.82
Total Income	**1,236.58**	**1,519.14**
Profit before Finance Cost, Depreciation & Taxation	**197.57**	**212.37**
Less: Finance Cost	95.27	117.36
Depreciation & Amortization	72.14	72.53
Profit Before Exceptional Items and Tax	**30.16**	**22.48**
Add/Less: Exceptional Items	72.46	(27.00)
Profit before Tax	**102.62**	**(4.52)**
Less: Tax expense	51.56	5.93
Profit after Tax	**51.06**	**(10.45)**
Add: Surplus brought forward	33.90	53.33
Less: Effect of adopting Ind- AS 116	-	(0.23)
Balance available for appropriation	84.96	42.65
Appropriations		
Dividend on Equity Shares	-	7.26
Corporate Dividend Tax	-	1.49
Balance carried forward	84.96	33.90
Earnings Per Equity Share (EPS)		
- Basic (in ₹)	8.43	(1.73)
- Diluted (in ₹)	8.40	(1.73)

PERFORMANCE HIGHLIGHT

During the financial year 2020-21, the rapidly evolving COVID-19 pandemic, not only posed a health challenge but significantly impacted business and the economy across the world. Your Company committed itself to the nation's fight against COVID-19 and confronted the uncertainties by focusing on three key priorities- safeguarding the health of and wellbeing of its people, ensuring business continuity to meet customers' needs and supporting communities through its relief efforts.

Board's Report

Your company also worked closely with the business partners, employees and local communities to navigate through the unprecedented times, reduced manufacturing complexities and distribution and supply challenges which arose as a result of the lockdown, restricted business activities and movement of the people across the nation.

COVID-19 seriously affected the demand of cultural grade papers. Demand of Writing & Printing Paper was affected due to disruption in the consumption of printed books, note books and commercial grade printing as most of the educational institutions, Government and commercial establishments were either not operational or working with low presence of people. Demand of Newsprint is also affected due to reduction of circulation in semi urban areas, reduction in number of pages and decline in advertisement of revenue of the newspaper publishers. Taking quick actions to the situations, your company implemented necessary changes in the product mix focusing more on premium grade packaging grade papers and copier papers.

Despite above multi prolonged challenges, the company had achieved relatively good performance during the financial year 2020-21 by achieving Revenue of ₹1,236.58 crores as against ₹1,519.14 crores for 2019-20. During the year under review, Profit after Tax (PAT) stood at ₹51.06 crores against loss of ₹10.45 crores in the immediately preceding financial year. The Company is continuously focusing on improving operating efficiencies and reducing manufacturing cost with increased production for better financial performance.

Your Company has maintained its leadership position in the high-end packaging board segment and continues to consolidate its preferred supplier status amongst leading end-use customers & brands. Further, your Company remains confident of fortifying its market standing in the paper & paperboard segment leveraging its superior strategies, execution excellence, investments in technology and a future ready product portfolio.

OPERATIONS AND OUTLOOK

Continuing with the system of benchmarking the manufacturing processes against industry best practices, upgradation of real time quality assurance systems and induction of state-of-the-art technology for its products in writing & printing and packaging board variants were carried during the year and achieved higher levels of productivity and product excellence. These initiatives coupled with in house design and development expertise and innovation capabilities, have further improved the speed-to-market for new launches and augmented the innovation pipeline of the writing & printing business.

The Company implemented several initiatives encompassing cost management, supply chain optimization, smart procurement, long term coal linkages and productivity improvement through automation which helped in absorbing escalation in input costs, product development etc.

The state-of-the-art manufacturing facilities along with market leadership in value added paperboards, writing & printing paper and newsprint, world class product quality, established supply chain system strategically positions your company to further enhance its leadership status in the Indian Paperboard and Paper Industry in coming years.

COVID-19 UPDATE

Your Company is closely monitoring to combat the second wave of the global outbreak of coronavirus (COVID-19) and the Company has implemented a number of measures under a well-defined protocol to protect employees, communities and operations so that the supply and movement of materials as well as the services are not impacted.

Safety, hygiene and precautionary measures would remain the utmost priority for the near future. Uncertainty and unpredictability in the different strains of virus are causing anxiety and the only way to control the spread of the virus is to maintain highest level of personal and workplace precautions. Often the virus is asymptomatic, causing further transmission without people being aware of it.

The safety measures taken during first wave of COVID-19 has become the normal practice at all workplace of the Company to ensure business continuity during this challenging and unpredictable period.

Growing fears and uncertainty surrounding the pandemic, are expected to cause a temporary slowdown in economic activity. In Paper and Paper Board business, the coronavirus pandemic will be a factor, atleast for the first half of 2021-22. With the rapidly changing conditions, the impact on volumes, growth and financials cannot be reasonably estimated at this time, as the duration and scope of disruptions to industry remain largely unclear.

DIVIDEND

In view of continued challenging phase of COVID-19 pandemic and in order to conserve the resources for future augmentation, your Directors do not recommend any dividend on the equity shares of the Company for the year

Board's Report

under review. Further, as per the terms of issue of Preference Shares approved by the Shareholders, the Board recommend dividend @ 8% per annum i.e. ₹ 8/- per Preference Shares of face value of ₹ 100/- each for the financial year 2019-20 and 2020-21 respectively.

Dividend Distribution Policy

In order to provide a broad Dividend Distribution Framework to all the Stakeholders of the Company, the Board of Directors of the Company have approved the Dividend Distribution Policy pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which form part of this Report and is annexed as **Annexure - I**.

This Policy is also available on the Company's website at www.emamipaper.in

Unclaimed Dividend

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, Unclaimed Dividend amount of ₹ 99,385/- of the Company for the Financial year 31st March, 2013 has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013 on 17th September, 2020.

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

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

During the year under review, the Company has transferred 43,050 Equity Shares on which Dividend were unclaimed for seven consecutive years, to the demat account of IEPF maintained with NSDL the within the prescribed time.

Till date company has transferred 1,16,242 Equity Shares to the IEPF demat account and ₹ 5,71,543/- towards dividend to IEPF.

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

Financial year	Dividend ID No.	Last date of Payment of dividend	Total Amount of Dividend (in ₹)	Unclaimed Dividend as on 31.03.2021 (in ₹)	Last date for transfer to IEPF on
2013-14	32nd	09/09/2014	3,63,00,000	97,523.40	14/09/2021
2014-15	33rd	09/09/2015	3,63,00,000	94,495.80	14/09/2022
2015-16	34th	08/09/2016	3,63,00,000	99,232.80	13/09/2023
2016-17	35th	31/08/2017	7,25,98,860	2,02,544.40	05/09/2024
2017-18	36th	04/09/2018	7,25,98,860	1,42,267.20	09/09/2025
2018-19	37th	22/08/2019	7,25,98,860	1,34,283.60	27/08/2026
Total :			**32,66,96,580**	**7,70,347.20**	

Note:

There is no unclaimed dividend on Preference Shares issued by the Company. Details of unclaimed dividend on Equity Shares is available on the Company's website.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

SHARE CAPITAL

During the year under review, pursuant to the provisions of Section 48 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, variation in the terms of 61,25,000 Nos.of Preference Shares of ₹100/- each from Non-convertible Cumulative Redeemable Preference Shares (NCRPS) to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCRPS), convertible at the option of the Company, was approved by the equity shareholders through Postal Ballot on 26th March, 2021. The consent/approval of the Preference Shareholders was also accorded thereto.

The company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

TRANSFER TO RESERVE

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

Board's Report

PUBLIC DEPOSITS

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

SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

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

ENVIRONMENT MANAGEMENT

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

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

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

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

- ISO 9001:2015 - Quality Management System
- ISO 14001:2015 - Environment Management System
- ISO 45001:2018 - Occupational Health & Safety Management System.

Your Company has also been practicing TPM with an objective to achieve zero defect, zero breakdowns, zero pollution and zero loss.

At Emami Paper, significant progress has been made in energy conservation with the installation of energy efficient equipment. Various measures and equipment installed as part of the Energy Conservation measures have been elaborated elsewhere in this report under the relevant head.

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

- Online Ambient air quality monitoring system (3 Nos.)
- Online stack emission monitoring system (3 Nos.) with remote calibration facility
- Online effluent monitoring system for final discharge water at ETP
- Online groundwater level monitoring system (2 Nos.)
- State-of-the-art effluent treatment plant (ETP) - Augmented further to meet the more stringent standards proposed by CPCB.
- Air pollution control through ESP, pneumatically operated Ash conveying system wherein Ash is conveyed through pipelines, Dust Suppression System, Ash conditioner installed on Ash Silos for conditioning Ash before unloading onto the trucks, Water Sprinkling System on Coal conveyors etc.
- Decanter for secondary sludge dewatering
- Rainwater harvesting through 20 Nos of recharge wells
- New Dust Suppression Nozzles installed at Coal conveyors for effective control of coal dust.
- New Settling pits constructed at Coal yard area to eliminate the contamination in rain runoff water.
- New Wheel washing system installed to prevent the carryover of dust from within the plant to outside.

Your Company is also pleased to report that:

- 100% of fly ash generated is used for fly ash bricks manufacturing.
- Massive green belt development has been undertaken in and around the Company premises
- A large percentage of water from our Effluent Treatment plant is utilized for agricultural and plantation purposes and discharge to the Sapna Nala is minimized.

Board's Report

- The entire quantity of Primary sludge from the Effluent Treatment Plant is fired in Power Boilers as co-fuel which contributes towards generating Steam and Power.
- A new Domestic Solid Waste Management system has been commissioned wherein the Organic Domestic Waste is treated through Vermicomposting and converted into Organic manure.

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The company has formulated the policy for development and implementation of Corporate Social Responsibility (CSR) as also required under Section 135 of the Companies Act, 2013 which is available on Company's website at www.emamipaper.in.

Further, the information pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is given in **Annexure - III** outlining the main initiatives taken during the year under review.

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

AUDITORS AND AUDITORS REPORT

1. STATUTORY AUDIT

As per Section 139 and other applicable provisions of the Companies Act, 2013 the Company has appointed M/s. Agrawal Subodh & Co. Chartered Accountants (Registration No. 319260E) as the Statutory Auditors of the Company, for a period of five years till the conclusion of 40th Annual General Meeting (AGM) of the Company to be held in 2022. The remuneration and other terms and conditions are fixed by the Board of Directors.

In this regard, the company has received a Certificate from the Auditors to the effect that continuation as Statutory Auditors, would be in accordance with the provision of Section 141 of the Companies Act, 2013.

The observations made in the Auditors' Report read together with Key Audit matters and relevant notes thereon are self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Companies Act, 2013. The Auditors of the Company have not reported any fraud as specified under Section 143 (12) of the Companies Act, 2013.

2. COST AUDIT

Your Company has maintained accounts and cost records to the extent provisions under Section 148 of the Companies, 2013, were applicable. Your Directors have re-appointed M/s V.K Jain & Co., as Cost Auditors of your Company for FY 2021-2022 and are seeking your approval for payment of remuneration. In this regard, your Directors recommend passing of Ordinary Resolution proposed and included in Notice of forthcoming AGM.

3. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s MKB & Associates, Company Secretary in practice for the financial year 2020-2021 to undertake the Secretarial Audit of the company. The Secretarial Audit Report is annexed herewith as **Annexure - IV**.

The observation made in the Secretarial Auditors Report is self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Companies Act, 2013. In this regard, your Directors also draw an attention of the shareholders to Point no. 13 on Report on Corporate Governance annexed hereto.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial

Board's Report

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

The above statement is intended to align the disclosure requirement with the provisions of Section 134(5)(f) of the Act, which requires the directors to state in the Directors' Responsibility statement that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with promoters, Key managerial personnel or other designated persons which may have potential conflict with the interest of the company at large.

Necessary disclosure regarding transactions with related parties has been made in the Notes to the Audited Accounts.

A policy for transactions with Related Parties has been given on the website of the company under the head Investors-Compliances at web link **http://www.emamipaper.in/compliances.php**

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Details of establishment of Vigil Mechanism and Whistle Blower policy is mentioned in Corporate Governance Report attached to this Report and also available at the website of the Company at www.emamipaper.in

INTERNAL FINANCIAL CONTROLS

The Corporate Governance Policies guide the conduct of affairs of the Company and clearly delineates the roles, responsibilities and authorities at each level of its governance structure and key functionaries involved in the governance. The Code of conduct for Senior Management and Employees of the Company (the Code of Conduct) commits Management to financial and accounting policies, systems and processes.

The Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by management and approved by the Audit Committee and the Board. These Accounting Policies are reviewed and updated from time to time.

Your Company maintains all its records in ERP(SAP) system and the work flow and approvals are routed through ERP(SAP).

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

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

RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has Risk Management Policy for identification and implementation of Risk Mitigation Plan which is reviewed by the Management, Audit Committee and the Board periodically. In the opinion of the Board, there is no such risk which may threaten the existence of the Company.

BOARD OF DIRECTORS' & KEY MANAGERIAL PERSONNEL

A) Directors retirement by rotation

Mr. P. S. Patwari (DIN: 00363356) would retire by rotation and being eligible, offers himself for re-appointment.

Board's Report

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Mr. Aditya V. Agarwal (DIN: 00149717) would retire by rotation and being eligible, offers himself for re-appointment.

B) Declaration by an Independent Director(s) and re-appointment, if any

All Independent directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

C) Key Managerial Personnel

During the year following changes were made in the Key Managerial Personnel of your Company.

1. Mr. P. S. Patwari was appointed as Executive Director for a period of 3 years with effect from 01st April, 2020. He resigned from the post of Chief Executive Officer (CEO) with effect from 1st April, 2021.
2. Mr. Manish Goenka was appointed as a Whole-time Director for a period from 1st August 2020 to 14th July 2023.
3. Mr. Vivek Chawla was appointed Whole-time Director with effect from 2nd December, 2020 for a period of 3 years. He was also appointed as Chief Executive Officer (CEO) with effect from 1st April, 2021 and subsequently re-designated as Whole-time Director & CEO.
4. Mr. G. Saraf is Company Secretary and Compliance Officer till 1st June, 2021. Mr. Debendra Banthiya, Deputy Company Secretary, is appointed as Company Secretary & Compliance Officer with effect from 2nd June, 2021.

During the year, 7 (seven) Meetings of the Board of Directors were held. The details of Board Meetings held and attended by each Director and composition of various Committees of Board of Directors are detailed in the Report of Corporate Governance which forms part of this report and is annexed hereto.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

Pursuant to Section 178 of the Companies Act, 2013, the Board of the Directors of the Company has approved the Nomination and Remuneration Policy based on the recommendation of the Nomination & Remuneration Committee and said policy is hosted on the Company's website: www.emamipaper.in.

The Policy includes the criteria for determining Qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Act. For the sake of brevity, the Policy has not been reproduced here.

PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 and relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), the Board has carried out the annual performance evaluation of its own performance, its committees and individual directors on 1st June, 2021, on the basis of agreed norms for evaluation.

Further, the Independent Directors have evaluated the performance of Non-Independent Directors at a separate meeting held on 08th February, 2021.

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

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

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

Further, Particulars of Employees pursuant to Rule 5 (2) and (3) of the above Rules also form part of this Report. However, in terms of the provisions of Section 136 of the said Act, the Report and Accounts are being sent to all members of the company and other entities thereto, excluding the said particular of employees. Any member interested in obtaining such particulars may write to the Company Secretary. The said information is also available for the inspection at the Registered Office of the Company during working hours for a period of twenty-one days before the date of the meeting.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2021 is hosted on the Company's website i.e. www.emamipaper.in

CORPORATE GOVERNANCE

The Report on Corporate Governance forms a part of this report and annexed as **Annexure - VI**.

Board's Report

MANAGEMENT DISCUSSION AND ANALYSIS

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

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Business Responsibility Report of the Company for the year ended 31st March, 2021 forms part of this report and annexed as **Annexure - VII.**

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013 the Directors confirms that: -

1. In the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis;
5. The Directors had laid down internal financial controls to be followed by the company and such controls are adequate and operating effectively; and
6. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

OTHER DISCLOSURES

During the year under review.

1. Your Company had cordial relation with the workers and employees at all levels.
2. No Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in the future.

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Aditya V. Agarwal
Executive Chairman
DIN: 00149717

Place: Kolkata
Date: 1st June, 2021

ANNEXURE - I

Dividend Distribution Policy

1. PREAMBLE

Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), mandates that the top 1000 listed Companies (by market capitalisation calculated as on 31st March every financial year) are required to formulate a Dividend Distribution Policy("Policy") which shall be disclosed in the Annual Report and on the Corporate Website of the Company.

In compliance with the above Regulation, the Board of Directors of the Company have approved the Dividend Distribution Policy of the Company at their meeting held on 1st June, 2021.

2. OBJECTIVE

The objective of this Policy is to provide a broad Dividend Distribution Framework to all the Stakeholders of the Company.

The Board shall refer to the guidelines laid out in this Policy while announcing any Dividend in a Financial Year keeping in mind the provisions of the Companies Act 2013 read with Rules made therein from time to time and other applicable legal procedures.

The Company currently has two Class of Shares: 1) Equity Shares and 2) Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCRPS) (Convertible at the option of the Company). Since the Company has issued only one class of equity shares with equal voting rights, all the members holding equity shares of the Company are entitled to the same dividend per share. This policy shall not apply to determination and declaration of dividend on preference shares as the same will be governed as per the terms of issue approved by the Board and the shareholders of the Company.

3. DIVIDEND

Dividend is the payment made by the Company to its shareholders out of the profit made by the Company in proportion to the Equity share capital and Preference share capital they hold. Dividend includes Interim Dividends.

4. PARAMETERS FOR DECLARATION OF DIVIDEND

The Board of Directors of the Company shall consider the following parameters for declaration of dividend: -

Financial parameters (internal factors)

- Net operating profit after tax during the relevant year
- Future Capital expenditure requirements;
- Resources required to fund acquisitions and/or new businesses;
- Company's liquidity and cash flow position;
- Cash flow required to meet contingencies;
- Increase in Working Capital requirement;
- Past Dividend Trends;
- Any other relevant factor that Board may deem fit to consider.

External Factor

- Economic conditions and Prevailing legal requirements;
- Regulatory conditions or restrictions laid down under the applicable laws including tax laws;
- Dividend Pay-out ratio of companies in the same industry.

5. UTILIZATION OF RETAINED EARNINGS

The retained earnings after declaration of the dividend if any shall be utilised for Company's growth, working capital requirements, investments, debt repayments, meeting contingencies and in other manners as considered appropriate by the Board and subject to the applicable laws.

6. DECLARATION OF DIVIDEND

The Board may declare/recommend Interim / Final Dividend out of the profits of the Company for that year arrived at in conformity with the Companies Act. Only in exceptional circumstances, the Board may consider utilizing its Retained Earnings for Declaration of Dividend subject to other applicable legal provisions.

The dividend pay-out in each financial year, including interim dividends, will be dependent on the existing and expected underlying financial performance, market conditions, cash flow position and future requirements of funds and also non-financial factors prevailing during such financial year.

Board's Report

7. PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES:

The Company shall first declare dividend on outstanding Preference shares, if any, at the rate of dividend fixed at the time of issue of Preference shares and thereafter, the dividend would be declared on Equity shares. Currently, the Company has issued one class of equity shares with equal voting rights. As and when the Company issues different class of shares, the Board of Directors may suitably amend this Policy.

8. REVIEW

The Dividend Distribution Policy is subject to review and amendment as and when considered necessary by the Board. In case of any amendment(s), clarification(s) circular etc. issued by relevant authorities not being consistent to the provisions laid down under this policy then such amendment, clarification, circular etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment, clarification, circular etc.

9. DISCLAIMER

This document neither solicits investments in the Company's securities, nor it is an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

Board's Report

ANNEXURE - II

Information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2021.

A. Conservation of energy:

i) Following Energy conservation measures have been undertaken:

- By interconnecting TG-3 Auxiliary cooling water circulation pump delivery line with Central compressor cooling water line, compressor cooling water pump of 15 kw was stopped which resulted in saving of around 280 kwh/Day (12 kw/h).
- In Secondary Fiber Treatment Plant, delivery lines of pumps 101-PU-024 and 101-PU-054 were interconnected; by doing this, during CGB run in ONP pulping 101-PU-024 (37 KW) pump remains stopped. With 16 days of CGB run in a month and 15 hrs per day of ONP pulping during CGB, 24kw per hour i.e. 360 kwh per day of saving has been achieved for those 16 days. Therefore, around 192 kwh/day of saving is achieved on a daily average basis.
- By modification of ETP back water pump 32 kW motor was replaced with 11 kW motor, thereby achieving saving of 408 kwh/day.
- PP-1 RO water pump which was running for PP-3 boiler SWAS panel and RO water supply to Board machine is stopped permanently by interconnecting the line with PP-2 SWAS pump –resulting in power saving of 216 kwh/day.
- By modifying fresh water line of Borewell no 2, Power Plant -1 Raw water pump is stopped resulting in saving of 144kwh/day.
- In Secondary Fiber Treatment Plant by trimming impeller of pulping water tower pump, approximate saving of 180kw/day achieved.
- By trimming impeller of TG-2 Auxillary cooling water pump saving of 150 kwh/day achieved.
- By down-sizing cooling tower-2 side stream filter pump 120 kwh/day savings achieved.
- Cooling tower blowdown and RO reject water recycle pit pump lifting arrangement modified and downsized resulting in a saving of 288 kwh/day.
- In ETP Clarifloculator-2 overflow water is taken directly to UASBR - thereby achieving a saving of around 240 kwh/day.

B. Technological Absorption:

i) Research & Development (R & D):

a) Specific area in which in-house R&D projects are carried out by the company during 2020-21

- Bottom wire flat box separator changed and trivac flat box separator suction line resized from 150 to 250mm to avoid vibration on wire of PM#4
- To reduce breaks due to pulp accumulation, trim squirt nozzle position changed from bottom wire flat box towards couch roll.
- Sparkline crane installed and taken in operation to facilitate smooth operation of 2nd Rewinder. This will also reduce shutdown hours during quality change.
- Developed new local vendor for maize starch.
- RPM of PM#1 Pulper rotor reduced from 220 to 202 and Pulper batch size increased from 1500 kgs to 2200 kgs.
- Throughput of Screening section of DIP#1 increased from 50 tpd to 65 tpd.
- Freeness of pulp optimized from 45 SR to 35 SR for Kraft run.
- Refiner tackle life increased from 30 days to 90 days after using 1.3 mm bar tackle.
- Developed indigenous cationic starch & oxidized starch in place of imported cationic starch & oxidized starch while maintaining the same quality parameters.
- Chemical cost reduced by ₹1000/Ton in Kraft by stopping addition of DSR.
- Established Kraft, Solitaire & Azure Laid grade paper at PM#1 while meeting all quality parameters.
- Stopped one Pulper and one conveyor at PM#2 without affecting production rate & quality. Pulper slashing time reduce to 8 min. & refiner recirculation reduced to 26%.
- Copier grade of paper developed successfully.
- 40 gsm Regal & Superfine product developed successfully.

Board's Report

- Around 3 TPD of fiber is recovered from Final stage slot screen of DIP#3 through Vibrating Screen and sent to Board Machine.
- Around 97 kwh energy is saved by by-passing Floatation feed pump during Kraft run.
- Clear Water taken to DAF in place of Cloudy water for Clarification resulting in saving in Chemical Cost around ₹10/Ton of Paper and additional fiber recovery of around 500kgs/day.
- Successfully established Kraft product in PM#3.
- Successfully developed NSS W&P paper in PM#3.
- Yield improved by taking Clear water into DAF instead of Cloudy water
- Sorting and De-dusting of input Raw materials in Sorting plant using bale breaking drum and sorting conveyor started.
- 500 M3/day fresh water consumption reduced at Screw Press Operation by replacing the same with Treated effluent water

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

The above efforts have resulted in the following benefits;

- Development of new products on all machines.
- Improved quality of paper and paperboard with increased strength and improved printability.
- Saving in input costs.
- Reduced paper breaks on the machine.
- Reduced consumption of energy and water.
- Smoother and improved operation of the machines and production processes.

c) Future action plan

- Continue to develop new products.
- Continue to work on improvement of yield.
- Continue to work on improvement of brightness, strength, bulk and other physical properties of paper and paperboard.
- Reduction of fresh water consumption by recycling and reuse of treated process water and treated water from effluent.
- Usage of alternative chemicals for quality optimization and cost saving.
- Continual reduction of power and steam consumption in production processes.
- Maximizing utilization of treated effluent in green belt development.

d) Expenditure on R & D

- No separate accounting for Research and Development activities was made as the same was a part of process and product development.

Process R & D :

Process improvements have been mentioned for all machines individually under R & D Activities.

ii) Efforts made towards technology absorption, adoption and innovation

- Wire stretcher on PM#4 was replaced with a new design stretcher to avoid breakdown and also to reduce wire shrinkage problem.
- Delaminated clay started in pre and middle coat to optimize virgin pulp consumption in recycled grade and also surface smoothness and coverage improved.
- Use of delaminated clay also improved coater blade life resulting in reduced blade consumption.
- Refiner plate bar thickness changed from 2.2 mm to 1.3 mm resulting in stoppage of one refiner.

a) Benefits derived as result of above efforts

- Overall operational efficiency of the plants has improved by adoption and absorption of state-of-the-art technologies.
- Quality of finished paper and paperboard has improved due to the adoption of newer technologies and continuous monitoring of all quality parameters.
- Break downs have reduced due to the installation of various machine health monitoring systems such as vibration probes - based on which predictive maintenance can be done instead of preventive maintenance resulting in saving of maintenance costs; this will also increase the life of Plant and Machinery.

C. Foreign exchange earnings and outgo: (₹ in Crores)

Particulars	2020-21	2019-20
Foreign exchange earnings	291.57	147.52
Foreign exchange outgo	570.69	691.51

ANNEXURE - III

Annual Report on Corporate Social Responsibility (CSR) Activities

1. Brief outline on CSR Policy of the Company

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

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

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Aditya V. Agarwal	Chairman of the Committee, Executive Chairman	2	2
2	Mr. Manish Goenka	Member of the Committee, Whole-time Director	2	2
3	Mrs. Richa Agarwal	Member of the Committee, Non-Executive Non–Independent Director	2	2
4	Mr. J. N. Godbole	Member of the Committee, Independent Director	2	2
5	Mr. H. M. Marda	Member of the Committee, Independent Director	2	2
6	Mr. P. S. Patwari	Member of the Committee, Executive Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

   Web link of Composition of CSR Committee: http://www.emamipaper.in/downloads/composition-various-committees.pdf

   Web link of CSR Policy: http://www.emamipaper.in/compliances.php

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

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: Not Applicable

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

6. Average net profit of the company as per Section 135(5): ₹ 1615.14 Lac

7. (a) Two percent of average net profit of the company as per Section 135(5): ₹ 32.30 Lac

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years: NIL

   (c) Amount required to be set off for the financial year, if any: NIL

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 32.30 Lac

Board's Report

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 47.50 Lac	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

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

(₹ in Lac)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Eradication of Hunger through daily Feeding and mass feeding on special occasions, Promoting health through regular Homeopathy-cum-Ayurvedic dispensaries, Medical support to the Poor Needy, Health Promotion through making available safe Drinking Water (Tube wells).	Clause I of Schedule VII	Yes	Odisha	Balasore	7.09	Yes, Direct	NA	NA
				West Bengal	North 24 Parganas	1.05			
2.	Providing Education Support to Local Play School, Promoting Education through award of scholarship.	Clause II of Schedule VII	Yes	Odisha	Balasore	2.08	Yes, Direct	NA	NA
3.	Reducing inequality through Financial help to Poor.	Clause III of Schedule VII	Yes	Odisha	Balasore	0.26	Yes, Direct	NA	NA
4.	Environmental Sustainability by Plantation Activities, Animal Foods/ Medicines/Doctor Fees.	Clause IV of Schedule VII	Yes	Odisha	Balasore	31.74	Yes, Direct	NA	NA
5.	Renovation of Historical monuments and Local Temples, Support to Local organizations for promoting Art & Culture.	Clause V of Schedule VII	Yes	Odisha	Balasore	1.69	Yes, Direct	NA	NA
6.	Street Light & Village Lighting, Local Welfare activities, Promoting Local Sports, Rural development through village adoption / Infrastructural Development.	Clause X of Schedule VII	Yes	Odisha	Balasore	3.59	Yes, Direct	NA	NA
	Total					**47.50**			

(d) Amount spent in Administrative Overheads:**- Nil**

(e) Amount spent on Impact Assessment, if applicable:**– Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):**– ₹ 47.50 Lac**

Board's Report

(g) Excess amount for set off, if any - (₹ in Lac)

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per Section 135(5)	32.30
(ii)	Total amount spent for the Financial Year	47.50
(iii)	Excess amount spent for the financial year [(ii)-(i)]	15.20
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	15.20

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding Financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Vivek Chawla
Whole Time Director & CEO

Aditya V. Agarwal
Chairman, CSR Committee

Date: 1st June, 2021

ANNEXURE - IV

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To
The Members,
EMAMI PAPER MILLS LIMITED

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

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

   a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   b) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

   c) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

   d) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

   e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

   f) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008.

   g) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

   h) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

   i) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998.

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

   a) The Environment Protection Act 1986.

   b) The Water (Prevention and Control of Pollution) Act, 1974.

c) The Air (Prevention and Control of Pollution) Act 1981.

d) Hazardous Waste (Management, Handling, and Transboundary Movement) Rules 2008, as amended from time to time.

e) The Indian Boilers Act 1923.

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

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations. There was a delay in appointment of an independent woman director as required under proviso to Regulation 17(1)(a) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for which fine was levied by stock exchange and paid by the company under protest and the company has applied to the stock exchange for review.

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

b) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that during the period under audit, the Company has passed the following special resolutions:

1. To approve reappointment of Shri P. S. Patwari (DIN: 00363356) as Executive Director of the Company for a period of 3 years with effect from 01.04.2020;

2. To approve appointment of Shri S. K. Khetan (DIN: 00358577) as Whole-time Director of the Company for a period of 3 years with effect from 07.11.2019;

3. To approve appointment of Shri Manish Goenka (DIN: 00363093) as Whole-time Director of the Company for a period of 3 years with effect from 01.08.2020.

4. To approve variation in terms of Preference Shares from Non-Convertible Cumulative Redeemable Preference Shares (NCRPS) to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCRPS) (Convertible at the Option of the Company)

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

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

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

Date : 1st June, 2021
Place : Kolkata
UDIN : A011470C000408570

Board's Report

Annexure - A to the Secretarial Audit Report

To
The Members,
EMAMI PAPER MILLS LIMITED

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

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

Note: Due to continuing COVID-19 pandemic, for carrying on and completion of the Audit, documents /details have been provided by the Company through electronic mode and the same have been verified by us.

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

Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date : 1st June, 2021
Place : Kolkata
UDIN : A011470C000408570

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ANNEXURE - V

Managerial Remuneration and Particulars of Employees

Details of every employee of the Company as required under Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended vide Notification dated 30th June, 2016 by Ministry of Corporate Affairs for the year ended 31st March, 2021:

i) Percentage increase in remuneration of each Director, CEO, CFO, CS or Manager and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21:

Name	Designation	Percentage increase (%)	Ratio
Mr. Aditya V. Agarwal	Executive Chairman	-	48:1
Mr. Manish Goenka *	Whole Time Director	NA	30:1
Mr. P. S. Patwari	Executive Director & CEO	-	107:1
Mr. Vivek Chawla **	Whole Time Director	NA	174:1
Mr. S. K. Khetan	Director (Operations) & CFO	-	44:1
Mr. J. N. Godbole	Non-Executive, Independent Director	30.77	1:1
Mr. H. M. Marda	Non-Executive, Independent Director	22.41	1:1
Mr. S. Balasubramanian	Non-Executive, Independent Director	77.14	1:1
Mr. J. K. Khetawat	Non-Executive, Independent Director	26.67	1:1
Mr. S. Chatterjee	Non-Executive, Independent Director	25.00	1:1
Mrs. Richa Agarwal	Non-Executive, Non-Independent Director	34.78	1:1
Mrs. Mamta Binani ***	Non-Executive, Independent Director	NA	1:1
Mr. G.Saraf	Vice President (Finance) & Company Secretary	-	NA

* Change in designation from Non-executive Director to Whole-time Director with effect from 1st August, 2020. As a Non-executive Director he was entitled to recieve only sitting fees for attending meeting of the Board of Directors and its'Committees of which he was a member. Therefore percentage increase in remuneration is not considered.

** Appointed as Whole-time Director with effect from 2rd December, 2020.

*** Appointed as Independent Director with effect from 13th August, 2020.

ii) Percentage increase in the median remuneration of employees in the financial year: No Increase

iii) Number of permanent employees on the rolls of company: 1,312

iv) Explanation on:

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year	No increase
Percentile increase in the managerial remuneration	No increase
Justification for increase in the managerial remuneration	NA
Exceptional circumstances for increase in the managerial remuneration, if any	NA

v) Affirmation that the remuneration is as per the remuneration policy of the Company: Yes, the remuneration has been paid as per the remuneration policy of the Company.

ANNEXURE - VI

Report on Corporate Governance

PURSUANT TO SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015



"Company's philosophy on Corporate Governance refers to a Professional System of management leading to the efficient conduct of business."

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

The Company in compliance with the provisions of Corporate Governance specified in Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2) BOARD OF DIRECTORS

A) COMPOSITION

The Board of Directors ("Board") is composed of eminent individuals from diverse fields. As on 31st March, 2021, the Board comprises of 12 (Twelve) Directors out of which 7 (Seven) Directors are Non-Executive Directors.

The Composition of the Board of Directors is in conformity with Regulation 17 & 17 A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

Board's Report

The composition and category of Board of Directors and other details are as under:

Sl No.	Name of the Director & DIN	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM held on 21.09.2020	No. of outside Directorship held in other Public Limited Companies	No. of Membership/ Chairmanship in other Board/ Committee #	
						Chairman	Member
1	Mr. Aditya V. Agarwal 00149717	Promoter, Executive Chairman	7	Yes	2	-	-
2	Mr. Manish Goenka* 00363093	Promoter, Whole Time Director	7	Yes	-	-	-
3	Mrs. Richa Agarwal 01505726	Promoter, Non-Executive	5	Yes	-	-	-
4	Mr.J. N. Godbole 00056830	Independent, Non-Executive	7	Yes	4	-	3
5	Mr. S. Balasubramanian 02849971	Independent, Non-Executive	7	Yes	5	2	3
6	Mr. H. M. Marda 00855466	Independent, Non-Executive	7	Yes	6	-	1
7	Mr.J.K.Khetawat 00920819	Independent Non-Executive	5	Yes	4	-	-
8	Mr. Shyamalendu Chatterjee 00048249	Independent Non-Executive	7	Yes	3	-	1
9	Mrs. Mamta Binani** 00462925	Independent Non-Executive	5	Yes	9	2	2
10	Mr. P. S. Patwari **** 00363356	Executive	7	Yes	1	-	-
11	Mr. Vivek Chawla*** 02696336	Executive, Whole Time Director & Chief Executive Officer (CEO)	3	NA	1	-	1
12	Mr. S. K. Khetan 00358577	Executive Director (Operations) & Chief Financial Officer (CFO)	7	Yes	-	-	-

Includes only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26(1) of SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015.

*Mr. Manish Goenka was appointed as Whole-time Director with effect from 1st August, 2020.

**Mrs. Mamta Binani was appointed as Independent, Non-executive Director with effect from 13th August, 2020.

***Mr. Vivek Chawla was appointed as an Additional Director (Whole-time Director) of the Company with effect from 02nd December, 2020 and he was additionally elevated to the position of CEO of Company with effect from 1st April, 2021.

**** Mr. P. S. Patwari stepped down from the position of CEO with effect from 1st April 2021.

B) DIRECTORSHIPS IN OTHER LISTED ENTITIES

Sl. No.	Name of the Director	Name of the other Listed Entity	Category of Directorship
1.	Mr. Aditya V. Agarwal	1. Emami Limited	Non-Executive Director
2.	Mr. Manish Goenka	-	-
3.	Mrs. Richa Agarwal	-	-
4.	Mr. J . N. Godbole	1. J K Cement Limited	Independent Director
		2. Saurashtra Cement Limited	Independent Director
		3. Kesar Terminals & Infrastructure Limited	Independent Director
5.	Mr. S.Balasubramanian	1. Sanghi Industries Limited	Independent Director
		2. TTK Healthcare Limited	Independent Director
		3. UCAL Fuels Systems Limited	Independent Director
		4. GVK Power & Infrastructure Limited	Independent Director
6.	Mr. H .M. Marda	1. Emami Realty Limited	Independent Director
7.	Mr. J. K. Khetawat	1. RTL Logistics Limited	Whole Time Director
8.	Mr. Shyamalendu Chatterjee	1. SREI Infrastructure Finance Limited	Independent Director
9.	Mrs. Mamta Binani	1. Balarampur Chini Mills Limited	Additional Director (Independent)
		2. KKalpana Industries (India) Limited	Independent Director
		3. Century Plyboards (India) Limited	Independent Director
		4. GPT Infraprojects Limited	Independent Director
		5. La Opala R G Limited	Independent Director
		6. Skipper Limited	Independent Director
10.	Mr. P. S.Patwari	-	-
11	Mr. Vivek Chawla	-	-
12.	Mr. S. K. Khetan	-	-

C) NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR

During the year 7 (Seven) Board Meetings were held as on 29th June 2020, 13th August 2020, 29th October 2020, 20th November 2020, 08th February 2021,19th February 2021 and 19th March 2021.

D) DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE

Mrs. Richa Agarwal, Non-Executive Non-Independent Director of the Company is the wife of Mr. Aditya V. Agarwal, Executive Chairman of the Company.

E) NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY THE NON-EXECUTIVE DIRECTORS AS ON 31ST MARCH, 2021.

Name of Directors	Category	No. of Equity Shares
Mrs. Richa Agarwal	Promoter, Non-Executive	1500
Mr. J. N. Godbole	Independent, Non-Executive	NIL
Mr. S. Balasubramanian	Independent, Non-Executive	NIL
Mr. H. M. Marda	Independent, Non-Executive	1350
Mr. J. K. Khetawat	Independent, Non-Executive	NIL
Mr. Shyamalendu Chatterjee	Independent, Non-Executive	NIL
Mrs. Mamta Binani	Independent, Non-Executive	NIL

F) FAMILIARIZATION PROGRAM IMPARTED TO INDEPENDENT DIRECTORS

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

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

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

Directors are also informed of the various developments in the Company.

Senior management personnel of the Company make presentations to the Board Members on a periodic basis, briefing them on the operations of the Company, plans, strategy, risk involved, new initiatives, etc. and seek their opinions and suggestions on the same.

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

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

G) LEAD INDEPENDENT DIRECTOR

The Board has appointed Mr. J. N. Godbole, Chairperson of the Independent Directors Meeting, as the Lead Independent Director. The role of the Lead Independent Director is to provide leadership to the Independent Directors, liaise on behalf of the Independent Directors and ensure the Board's effectiveness to maintain high-quality governance of the organization and the effective functioning of the Board.

H) MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors was held on 8th February, 2021 under the Chairmanship of Mr. J. N. Godbole, Independent Director, inter alia, to discuss evaluation of the performance of Non-independent Directors, the Board as a Whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-executive Directors and the evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole. Inputs and suggestions received from the Directors were considered at the Board meeting and have been implemented.

I) CHART OF SKILLS /EXPERTISE /COMPETENCE OF BOARD AND INDIVIDUAL DIRECTORS OF THE COMPANY IN THE CONTEXT OF ITS BUSINESS(ES)

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

Board's Report

Sl. No.	Name of the Director	Specialization
1.	Mr. Aditya V. Agarwal (Promoter, Executive Chairman)	A well-known Industrialist having rich and varied experience of 23 years in marketing, Corporate Planning, Business Development, Strategy formulation, and overall management.
2.	Mr. Manish Goenka (Promoter, Executive Director)	A well-known Industrialist with extensive business experience of 21 years in the area of Finance, Accounting, Corporate Planning, Business Development, Strategy Formulation and overall management.
3.	Mrs. Richa Agarwal (Promoter, Non-Executive Director)	Extensive experience in the area of Social Welfare, Corporate Social Responsibility (CSR) Initiatives, Women Empowerment, and overall Business Management.
4.	Mr. J. N. Godbole (Independent, Non-Executive Director)	He is a former Chairman of IDBI having extensive experience in the area of Finance, in particular Bank Finance, Corporate Planning, and strategy formulation.
5.	Mr. S. Balasubramanian (Independent, Non-Executive Director)	He is a former Chairman of Company Law Board has rich and varied experience in the field of Corporate Law. He is a well-known personality for his valuable contribution to the Corporate world. He was also a former member of the Indian Postal Service and having senior level experience in the public sector.
6.	Mr. H. M. Marda (Independent, Non-Executive Director)	A Chartered Accountant and Industrialist with extensive business experience over 3 decades in the area of Accounting, Corporate Planning, Strategy formulation, and overall management.
7.	Mr. J. K. Khetawat (Independent, Non-Executive Director)	An Industrialist with extensive business experience in the area of Real Estate Development, Corporate Planning, Logistics, Strategy formulation, and overall management.
8.	Mr. Shyamalendu Chatterjee (Independent, Non-Executive Director)	He has over 52 years of experience in retail, commercial, investment banking, and NBFC. He has expertise in the areas of Corporate Finance, International Banking, Retail Banking, Project Financing and Balance Sheet Management.
9.	Mrs. Mamta Binani (Independent, Non-Executive Director)	A practicing Company Secretary for over 23 years and having experience in corporate consultation and advisory, covering due diligence, Secretarial and legal functions.
10.	Mr. P. S. Patwari (Executive Director)	A Chartered Accountant having extensive experience of 41 years in the area of Finance, Accounting, Corporate Planning, Business Development, Strategy formulations, and overall management.
11.	Mr. Vivek Chawla (Executive Director designated as Whole Time Director & CEO)	An Industry veteran with having over 35 years of experience across commercial multi-facets of organization's performance ranging from operation to management, sales and marketing to strategy and governance and logistics to operations. His professional skillset includes results-driven leadership, commercial relationship building, market access, strategic revenue growth, commercial acumen, contract negotiations, team management, and performance optimization.
12.	Mr. S. K. Khetan (Executive Director designated as Director [Operations]) & CFO	A Chartered Accountant and also a Member of ICSI having over 32 years of experience in the fields of Finance, Accounting, Taxation, Costing, Long Term Business Planning, Budgetary Control etc.

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

J) INDEPENDENT DIRECTORS

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

- **CONFIRMATION FROM THE BOARD**

All the Independent Directors of the Company have given their respective declaration /disclosures under Section 149(7) of the Act, and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfil the Independent Criteria as specified under Section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Further, the Board after taking these declaration/disclosers on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

- **OPINION OF THE BOARD**

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are Independent of the Management.

The Board also opines that all the Independent Directors of the Company strictly adhere to corporate integrity, possess requisite expertise, experience and qualifications to discharge the assigned duties and responsibilities as mandated by Companies Act, 2013 and Listing Regulations diligently.

All the Six (6) Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs, Manesar (IICA) as required under Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014. Also they have served more than three years on the Board of listed entities and hence shall not be required to pass the online proficiency self-assessment test as per the proviso 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014.

- **RESIGNATION OF INDEPENDENT DIRECTOR - None**

3) AUDIT COMMITTEE

A) BRIEF DESCRIPTION OF TERMS OF REFERENCE:

I) The Audit Committee acts in accordance with the terms of reference specified under Section 177 of the Companies Act, 2013 (as amended from time to time) and as per the provisions of Regulation 18(3) read with Schedule-II, Part-C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (as amended from time to time) which shall, *inter-alia,* includes:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration, and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements, and auditor's report thereon before submission to the board for approval, with particular reference to:
   i. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   ii. Changes, if any, in accounting policies and practices and reasons for the same;
   iii. Major accounting entries involving estimates based on the exercise of judgment by the Management;
   iv. Significant adjustments made in the financial statements arising out of audit findings;
   v. Compliance with listing and other legal requirements relating to financial statements;
   vi. Disclosure of any Related Party Transactions;
   vii. Modified opinion(s) if any in the draft audit report;

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of users/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
8. Approval or any subsequent modification of transactions of the listed entity with Related Parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of international financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing, and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board;
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience, and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. As per Regulation 9(A) (4) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 the Audit Committee shall also review compliance of the provisions of the Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

II) The audit committee shall mandatorily review the following information pursuant to Part C item B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1) Management Discussion and Analysis of financial condition and results of operations;
2) Statement of significant Related Party Transactions (as defined by the audit committee), submitted by management;
3) Management letters/letters of internal control weaknesses issued by the statutory auditors;
4) Internal Audit Reports relating to internal control weaknesses; and
5) The appointment, removal, and terms of remuneration of the Chief internal auditor shall be subject to review by the audit committee.
6) Statement of deviations:
   (a) Quarterly statement of deviation(s) including a report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   (b) Annual Statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

B) COMPOSITION, NAME OF MEMBERS AND CHAIRMAN

The composition of the Audit Committee has been in accordance with the requirement of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013. The Committee comprised of five (5) Independent Non-Executive Directors as under :

Sl. No.	Name and Category of the Director	Designation
1.	Mr. J.N. Godbole, Independent, Non-Executive Director	Chairman
2.	Mr. S.Balasubramanian, Independent, Non-Executive Director	Member
3.	Mr. J. K. Khetawat, Independent, Non-Executive Director	Member
4.	Mr .H. M. Marda, Independent, Non-Executive Director	Member
5.	Mr. Shyamalendu Chatterjee, Independent, Non-Executive Director	Member

Mr. G. Saraf, Vice President (Finance) & Company Secretary is the Secretary to the Committee, till 1st June, 2021. Mr. Debendra Banthiya, Company Secretary, will act as the Secretary to the Committee with effect from 2nd June, 2021.

C) MEETING AND ATTENDANCE DURING THE YEAR

During the year 4 (four) Audit Committee meetings were held on 29th June, 2020, 13th August, 2020, 29th October, 2020 & 08th February, 2021.

The attendance of each Member Director at the Audit Committee Meetings held during the Financial Year 2020-21 is furnished below:

Sl. No.	Name of Director	Designation	Audit Committee Meeting	
			Held	Attended
1.	Mr. J. N. Godbole	Chairman	4	4
2.	Mr. S. Balasubramanian	Member	4	4
3.	Mr. H. M. Marda	Member	4	4
4.	Mr. J. K. Khetawat	Member	4	3
5.	Mr. Shyamalendu Chatterjee	Member	4	4

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

In compliance with Regulation 18(1)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. J. N. Godbole, Chairman of the Audit Committee was present at the 38th Annual General Meeting of the Company held on 21st September, 2020.

4) NOMINATION AND REMUNERATION COMMITTEE

A) BRIEF DESCRIPTION OF TERMS OF REFERENCE

The Nomination & Remuneration Committee shall act in accordance with the terms of reference specified under Section 178(2)(3) of the Companies Act, 2013 (as amended from time to time) and as per the provisions of Regulation 19(4) read with Schedule-II, Part-D (A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,(as amended from time to time) which shall, *inter-alia,* includes:

1) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

2) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;

3) Formulation of the criteria for evaluation of Performance of Independent Directors and Board of Directors;

4) Devising a policy on diversity of the Board of Directors;

5) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

Board's Report

6) Recommend to the Board, all remuneration, in whatever form payable to Senior Management.

B) COMPOSITION, NAME OF MEMBERS AND CHAIRMAN

In compliance with Section 178(3) of the Companies Act, 2013 a Nomination and Remuneration Committee for appointment and remuneration of Executive Director and other Key Managerial Personnel (KMPs) and Senior Managerial Personnel (SMPs) was constituted on 25th April 2014.

The Nomination and Remuneration Committee presently consists of the following Independent, Non-Executive Directors:

Sl. No.	Name and Category of the Director	Designation
1.	Mr. J. N. Godbole, Independent, Non-Executive Director	Chairman
2.	Mr. S. Balasubramanian, Independent, Non-Executive Director	Member
3.	Mr. H. M. Marda, Independent, Non-Executive Director	Member
4.	Mr. J. K. Khetawat, Independent, Non-Executive Director	Member

The composition of the Nomination and Remuneration Committee meets the requirement of Regulation 19(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. G. Saraf, Vice President (Finance) & Company Secretary is the Secretary to the Committee, till 1st June, 2021. Mr. Debendra Banthiya, Company Secretary, will act as the Secretary to the Committee with effect from 2nd June, 2021.

C) MEETING AND ATTENDANCE DURING THE YEAR

During the year 4 (Four) meetings of the Nomination and Remuneration Committee was held on 29th June, 2020, 13th August 2020, 20th November 2020 and 19th March 2021.

The attendance of each Member Director on the Nomination & Remuneration Committee Meeting held during the Financial Year 2020-21 is furnished below:

Sl. No.	Name of Director	Designation	Nomination and Remuneration Committee Meeting	
			Held	Attended
1.	Mr. J. N. Godbole	Chairman	4	4
2.	Mr. S. Balasubramanian	Member	4	4
3.	Mr. H. M Marda	Member	4	4
4.	Mr. J. K. Khetawat	Member	4	4

In compliance with Regulation 19(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. J. N. Godbole, Chairman of the Nomination & Remuneration Committee was present at the 38th Annual General Meeting of the Company held on 21st September, 2020.

D) PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Company had adopted a Performance Evaluation Policy at the Meeting of the Board of Directors held on 27th January 2015.

The Performance Evaluation Policy was revised as per the Guidance Note on Board Evaluation as issued by the Securities Exchange Board of India vide Circular No: SEBI/H.O/CFD/CMD/CIR/P/2017/004 dated 5th January 2017 and approved by the Board of Directors at their Meeting held on 31st January 2017.

The Performance Evaluation Policy was further revised as per the amendment of Section 178(2) of the Companies Act, 2013, which was approved by the Board of Directors at their meeting held on 13th February 2018.

Board's Report

The revised Criteria for Performance Evaluation of the Independent Directors as per the above-mentioned Policy are as follows:

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

The Board of Directors at their Meeting held on 1st June, 2021 have evaluated the performance of the Independent Directors of the Company and it included the evaluation of the performance of the Independent Directors and the fulfillment of the Independence Criteria as specified in Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

E) POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

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

i. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's operations.

ii. In evaluating the suitability of individual Board members, the Committee takes into account many factors, including a general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements.

iii. Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions.

iv. In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

The detailed policy is available at the website of the Company i.e.http://www.emamipaper.in/compliances.php

F) PERFORMANCE EVALUATION OF BOARD

Pursuant to the provisions of the Companies Act, 2013 and as per the requirement of Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted the criteria for evaluation of its own performance, its Committees, and individual Directors and carried out the required annual evaluation at its Meeting held on 1st June, 2021. The Board was satisfied with the performance for the year.

The Performance Evaluation Policy was revised as per the amendment of Section 178(2) of the Companies Act, 2013, which was approved by the Board of Directors at their meeting held on 13th February 2018.

The various broad criteria applicable to the Performance Evaluation of the Board as per the new Performance Evaluation Policy are as follows:

Board's Report

I. Structure of the Board

II. Meetings of the Board

III. Functions of the Board

IV. Board and Management

V. Professional Development

In respect of each of the evaluation factors, various aspects covering general parameters in respect of all the Directors and its Committees have been considered and set out in the Performance Evaluation Policy in accordance with their respective functions and duties.

Self-appraisal by the Directors, based on their delegated specific responsibilities has also been carried out.

Further, the Independent Directors have evaluated the performance of Executive Chairman, Non-Independent Directors and the Board of Directors as a whole at a separate meeting held on 8th February, 2021 as per the requirement of Regulation 25 (3) & (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5) REMUNERATION

A) REMUNERATION TO NON-EXECUTIVE DIRECTORS

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

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

(in ₹)

Sl. No.	Name of the Directors	Total Rupees
1.	Mr. Manish Goenka*	40,000/-
2.	Mrs. Richa Agarwal	1,55,000/-
3.	Mr. J. N. Godbole	3,40,000/-
4.	Mr. S. Balasubramanian	3,10,000/-
5.	Mr. H. M. Marda	3,55,000/-
6.	Mr. J. K. Khetawat	1,90,000/-
7.	Mr. Shyamalendu Chatterjee	2,50,000/-
8.	Mrs. Mamta Binani	1,40,000/-
	Total :	**17,80,000/-**

Note: The Non-Executive Directors have been paid the above-mentioned sitting fees and reimbursement of expenses only.

*Part of the year. Appointed as Whole Time Director with effect from 1st August, 2020 and he is not entitled for sitting fees.

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

B) REMUNERATION TO EXECUTIVE DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPS) & SENIOR MANAGERIAL PERSONNEL (SMPS)

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

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

Executive Directors who are in whole time employment of the Company are not paid any sitting fees for attending Board / Committee Meetings.

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

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

C) REMUNERATION PAID TO THE DIRECTORS OF THE COMPANY FOR THE YEAR ENDED 31-03-2021:

(Amount in ₹)

Sl. No.	Name of Directors	Salary & Allowances (Fixed component)*	Benefits**	Bonus	Total	Service Contract	Notice Period
1.	Mr. Aditya V. Agarwal+	1,01,21,833/-	12,54,220/-	-	1,13,76,053/-	3 Years (w.e.f. 8th November, 2018)	3 Months
2.	Mr. Manish Goenka++	63,90,000/-	8,06,400/-	-	71,96,400/-	3 Years (w.e.f. 1st August, 2020)	3 Months
3.	Mr. P. S. Patwari	1,89,92,700/-	64,41,294/-	-	2,54,33,994/-	3 Years (w.e.f. 1st April, 2020)	3 Months
4.	Mr. Vivek Chawla+++	65,46,775/-	70,29,291/-	-	1,35,76,066/-	3 Years (w.e.f. 2nd December, 2020)	3 Months
5.	Mr. S. K. Khetan	87,15,987/-	18,03,984/-	-	1,05,19,971/-	3 Years (w.e.f. 7th November, 2019)	3 Months
	Total :	5,07,67,295/-	1,73,35,189/-	-	6,81,02,484/-		

* Fixed component includes Basic Salary and Fixed allowances

**Other Benefits includes Provident Fund, Leave Travel Assistance, Reimbursement of Medical Expenses, Cost of Accommodation including Rent, Maintenance and Electricity, etc.

+ Includes arrear from 8th November, 2019 to 31st March, 2020

++ Part of the year. Appointed as Whole Time Director with effect from 1st August, 2020.

+++ Part of the year. Appointed as Whole Time Director with effect from 2nd December, 2020.

Note:

i. None of the Directors were paid performance-linked incentives.

ii. Severance Fees - There are no such fees paid to any of the Directors.

iii. None of the Directors have been issued any Stock Options of the Company.

6) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

A) BRIEF DESCRIPTION OF TERMS OF REFERENCE

The Stakeholders' Relationship Committee was constituted on 25th April 2014 and the terms of reference of Stakeholders Relationship Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D (B) of Schedule II)

i) Resolving the grievances of the security holders of the Company, including complaints related to transfer/ transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ii) Review of measures taken for the effective exercise of voting rights by shareholders.

iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ Annual Reports/ statutory notices by the shareholders of the Company.

B) COMPOSITION OF THE COMMITTEE

The Committee presently consists of the following members:-

Sl. No.	Name and Category of the Director	Designation
1.	Mr. H. M. Marda, Independent, Non-Executive Director	Chairman
2.	Mr. Manish Goenka, Promoter, Whole Time Director	Member
3.	Mr. P. S. Patwari, Executive Director	Member
4.	Mr. Vivek Chawla, Whole Time Director & CEO*	Member

*Mr. Vivek Chawla was appointed as a Member of the Committee with effect from 1st June 2021.

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

Mr. G. Saraf, Vice President (Finance) & Company Secretary is the Secretary to the Committee and Compliance Officer of the Company till 1st June, 2021. Mr. Debendra Banthiya, Company Secretary, will act as the Secretary to the Committee and the Compliance Officer of the Company with effect from 02nd June, 2021.

C) MEETING AND ATTENDANCE DURING THE YEAR

During the year 1(one) meeting of the Stakeholders' Relationship Committee was held on 08th February, 2021.

The attendance of each Member Director on the Stakeholders' Relationship Committee Meeting held during the Financial Year 2020-21 is furnished below:

Sl. No.	Name of Director	Designation	Stakeholders' Relationship Committee Meeting	
			Held	Attended
1.	Mr. H. M. Marda	Chairman	1	1
2.	Mr. Manish Goenka	Member	1	1
3.	Mr. P. S. Patwari	Member	1	1

In compliance with Regulation 20 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. H. M. Marda, the Chairman of the Stakeholders Relationship Committee was present at the 38th Annual General Meeting of the Company held on 21st September, 2020.

There was one complaint received during the year in respect of non-receipt of dividend warrant and the same was resolved.

7) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

A) BRIEF DESCRIPTION OF TERMS OF REFERENCE

As per Section 135 of the Companies Act, 2013 the Committee was constituted on 21st January 2014 to monitor and review the CSR activities of the Company from time to time.

The brief terms of reference of CSR Committee are as follows:

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the CSR activities to be undertaken by the Company as specified in the Companies Act, 2013;

b) Recommend the amount of expenditure to be incurred on CSR activities; and

c) Monitor the CSR Policy of the Company from time to time.

B) COMPOSITION OF THE COMMITTEE

The Committee presently consists of the following Members:

Sl. No.	Name and Category of the Director	Designation
1.	Mr. Aditya V. Agarwal, Promoter, Executive Chairman	Chairman
2.	Mr. Manish Goenka, Promoter, Whole Time Director	Member
3.	Mrs. Richa Agarwal, Promoter, Non-Executive Director	Member
4.	Mr. J. N. Godbole, Independent, Non-Executive Director	Member
5.	Mr. H. M. Marda, Independent, Non-Executive Director	Member
6.	Mr. P. S. Patwari, Executive Director	Member
7.	Mr. Vivek Chawla, Whole Time Director & CEO*	Member

*Mr. Vivek Chawla was appointed as a Member of the Committee with effect from 1st June 2021.

Mr. G. Saraf, Vice President (Finance) & Company Secretary is the Secretary to the Committee till 1st June, 2021. Mr. Debendra Banthiya, Company Secretary, will act as the Secretary to the Committee with effect from 2nd June, 2021.

C) MEETING AND ATTENDANCE DURING THE YEAR

During the year 2(Two) meetings of the Corporate Social Responsibility Committee were held on 29th June, 2020 and 29th October, 2020.

The attendance of each Member Director on the Corporate Social Responsibility Committee Meeting held during the Financial Year 2020-21 is furnished below:

Sl. No.	Name of Director	Designation	Corporate Social Responsibility Committee Meeting	
			Held	Attended
1.	Mr. Aditya V. Agarwal	Chairman	2	2
2.	Mr. Manish Goenka	Member	2	2
3.	Mrs. Richa Agarwal	Member	2	2
4.	Mr. J. N. Godbole	Member	2	2
5.	Mr. H. M. Marda	Member	2	2
6.	Mr. P. S. Patwari	Member	2	2

8) FINANCE COMMITTEE

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

A) COMPOSITION OF THE COMMITTEE

The Committee presently consists of the following Members:

Sl. No.	Name and Category of the Director	Designation
1.	Mr. H. M. Marda, Independent, Non-Executive Director	Chairman
2.	Mr. Manish Goenka, Promoter, Whole Time Director	Member
3.	Mr. J. K. Khetawat, Independent, Non-Executive Director	Member
4.	Mr. P. S. Patwari, Executive Director	Member
5.	Mr. Vivek Chawla, Whole Time Director & CEO*	Member

*Mr. Vivek Chawla was appointed as a Member of the Committee with effect from 1st June 2021.

Mr. G. Saraf, Vice President (Finance) & Company Secretary is the Secretary to the Committee till 1st June, 2021. Mr.Debendra Banthiya, Company Secretary, will act as the Secretary to the Committee with effect from 2nd June, 2021.

B) MEETING AND ATTENDANCE DURING THE YEAR

During the year 1(One) meeting of the Finance Committee was held on 28th September, 2020.

The attendance of each Member Director of the Finance Committee Meeting held during the Financial Year 2020-21 is furnished below:

Sl. No.	Name of Director	Designation	Finance Committee Meeting	
			Held	Attended
1.	Mr. H. M. Marda	Chairman	1	1
2.	Mr. J. K. Khetawat	Member	1	1
3.	Mr. Manish Goenka	Member	1	1
4.	Mr. P. S. Patwari	Member	1	1

9) RISK MANAGEMENT COMMITTEE

As per requirement of Regulation 21 read with Schedule II, Part D (C) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended from time to time), SEBI has mandated to constitute Risk Management Committee for the top 1000 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year.

Your Company is among the top 1000 listed entities as per the list released by NSE and BSE based on the market capitalization as on 31st March 2021 and in compliance of the above Regulation, the Board of Directors have constituted a Risk Management Committee at their meeting held on 1st June 2021.

A) BRIEF DESCRIPTION OF TERMS OF REFERENCE

The role and responsibilities of the Risk Management Committee shall be in accordance with the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with Schedule-II, Part-D (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,(as amended from time to time) which, shall, *inter alia,* includes:

(1) To formulate a detailed risk management policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   (c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other Committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

B) COMPOSITION OF THE COMMITTEE

The Committee presently consists of the following Members:

Sl. No.	Name and Category of the Director	Designation
1.	Mr. H. M. Marda, Independent, Non-Executive Director	Chairman
2.	Mr. Vivek Chawla, Whole Time Director & CEO	Member
3.	Mr. S K Khetan, Director (Operations) & CFO	Member

10) GENERAL BODY MEETINGS

A) LOCATION AND TIME OF THE LAST THREE ANNUAL GENERAL MEETINGS:

Financial Year	Venue	Date	Time
2017-18	OZORA, 20th Floor, ACROPOLIS, 1858/1 Rajdanga Main Road Kolkata-700107	10th August, 2018	11.00 a.m.
2018-19	Kolkata Centre for Creativity 777, Anandapur, EM Bypass, Kolkata - 700 107	12th August, 2019	11.00 a.m.
2019-20	Through Video Conference(VC)/Other Audio Visual Means(OAVM) from Emami Towers, 687, Anandapur, E.M.Bypass, Kolkata-700107	21st September, 2020	11.00 a.m.

B) WHETHER SPECIAL RESOLUTIONS WERE PASSED IN THE PREVIOUS THREE AGMS: Yes

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

i) 38th Annual General Meeting held on 21st September, 2020 for the year 2019-20

1) Approval of re-appointment of Mr. P. S. Patwari (DIN:00363356) as Executive Director, for a period of 3 years w.e.f 1st April 2020 including payment of remuneration for that period.

2) Approval for appointment of Mr. S. K. Khetan (DIN:00358577) as a Whole-Time Director, designated as Director (Operations) of the Company for a period of three years, with effect from 7th November, 2019 including payment of remuneration for that period.

3) Approval for appointment of Mr. Manish Goenka, (DIN:00363093) as a Whole-Time Director of the Company for a period from 1st August, 2020 to 14th July, 2023 including payment of remuneration for that period.

ii) 37th Annual General Meeting held on 12th August 2019 for the year 2018-19:

1) Appointment of Mr. Shyamalendu Chatterjee (DIN:0048249), as an Independent Director of the Company to hold office for a period of consecutive 5 (five) years commencing from 13th August 2019.

iii) 36th Annual General Meeting held on 10th August 2018 for the year 2017-18:

1) Appointment of Mr. H. M. Marda (holding DIN. 00855466) as an Independent Director of the Company to hold office for another term of consecutive 5 (five) years commencing from 1st April 2019;

2) Appointment of Mr. U.G.Bhat (holding DIN.00353361), as an Independent Director of the Company to hold office for another term of consecutive 5 (five) years commencing from 1st April 2019;

3) Appointment of Mr. J. K. Khetawat (holding DIN. 00920819), as an Independent Director of the Company to hold office for another term of consecutive 5 (five) years commencing from 1st April 2019;

4) Appointment of Mr. J. N. Godbole (holding DIN: 00056830), as an Independent Director of the Company to hold office for another term of consecutive 5 (five) years commencing from 1st April 2019;

5) Appointment of Mr. S. Balasubramanian (holding DIN. 02849971), as an Independent Director of the Company to hold office for another term of consecutive 5 (five) years commencing from 1st April 2019;

6) Re-appointment of Mr. Aditya V. Agarwal, (DIN. 00149717) as Whole-Time Director designated as Executive Chairman for a period of 3 years (approx.) with effect from 8th November 2018 to 31st October 2021;

7) Appointment of Mr. Ashish De, (DIN:08109683) as a Whole Time Director of the Company for a period of three years (approx.), with effect from 13th April 2018 to 31st March 2021.

C) POSTAL BALLOT

i) WHETHER SPECIAL RESOLUTIONS PASSED LAST YEAR THROUGH POSTAL BALLOT – Yes

The following Special Resolution was passed by way of Postal Ballot (Through e-voting) :-

During the financial year under review, the resolution for :-

Approval for Variation in terms of Preference Shareholders from Non-Convertible Cumulative Redeemable Preference Shares (NCRPS) to Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCRPS) (Convertible at the Option of the Company), was passed by the Shareholders by requisite majority through Postal Ballot by remote E-Voting.

Brief particulars of the Postal Ballot and E-Voting details are provided below:-

The Board of Directors of the Company appointed Mr.Sandip Kumar Kejriwal, Practicing Company Secretary as the scrutinizer for scrutinizing the Postal Ballot held through remote E-Voting process.

Despatch of the Postal Ballot Notice dated 19th February, 2021 along with Explanatory Statement to the Shareholders (both Equity and Preference) of the Company was completed on 23rd February, 2021.

Remote E-Voting commenced on Wednesday, 24th February, 2021 at 9.00 A.M. and ended on Friday, 26th March, 2021 at 5.00 P.M.

Board's Report

Based on Scrutinizers' Report, the results of Postal Ballot were declared on 26th March, 2021. The results were intimated to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and was also loaded on the website of the Company and that of Central Depository Services (India) Limited ("CDSL"), remote e-voting Agency.

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

Particulars	Number of Votes (Equity Shares) cast through e-voting (1)	Number of Votes (Preference Shares) cast through e-voting (2)
1)Voted in favour of the Resolution	4,94,12,121	47,78,700
2) Voted against the Resolution	21	0
Total	4,94,12,142	47,78,700
3) Invalid Votes	0	0
% of total Number of valid votes cast	100%	100%

ii) WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT - None

11) MEANS OF COMMUNICATIONS

A) Quarterly results:

The Quarterly Financial Results of the Company have published in accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B) Newspapers wherein results are normally published:

The Financial Results of the Company are published in widely circulated newspapers namely Economic Times/ Business Standard/The Times of India (English daily) and The Dainik Statesman/ Ekdin/ Ei-Samay/Aajkal/Khabor 365 Din (Bengali daily).

C) Any website, where displayed:

The Financial Results of the Company are displayed on the Company's website: www.emamipaper.in

D) Whether it also displays official news releases:

No Official news releases.

E) Presentations made to institutional investors or to the analysts:

No Presentations are made.

12) GENERAL SHAREHOLDER INFORMATION

A) 39th Annual General Meeting:

Date: Friday, 27th August, 2021

Time: 11.00 a.m.

Venue: Over Video Conferencing (VC)/other Audio Visual Means (OAVM)

B) Calendar year

i. Financial Year: April to March

ii. First Quarter Results – 2nd week of August

iii. Half Yearly Results – 2nd week of November

iv. Third Quarter Results – 2nd week of February

v. Results for the year ending 31st March – by May

C) Dividend

In view of continued challenging phase of COVID-19 pandemic and in order to conserve the resources for future augmentation, the Board of Directors have not recommended any dividend on the Equity shares for the financial year ended 31st March, 2021.

As per terms of the issue of Preference Shares, the Board have recommended dividend @ 8% per annum i.e. ₹ 8/- per Preference Share of face value of ₹100/- each for the Financial Year 2019-2020 and 2020-2021 respectively.

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

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

The National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 061	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001

The relevant Listing Fees for the year 2020-21 were paid.

Board's Report

E) Stock Code:

The National Stock Exchange of India Ltd	Symbol: EMAMIPAP
BSE Limited	Scrip Code: 533208

The ISIN Number of Company's Equity Shares (of face value ₹2/- per share) for NSDL & CDSL is INE830C01026.

F) Market Price Data:

Market Price Data: High/Low in each month in the Financial Year 2020-21:

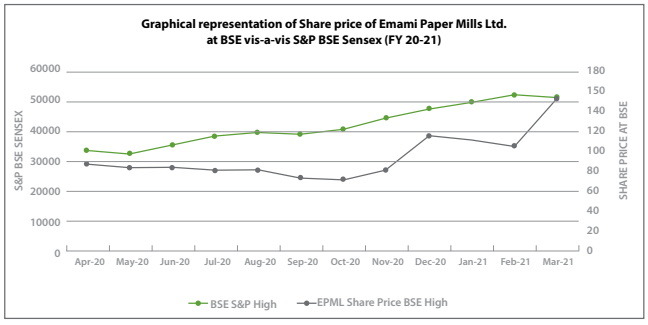
Market Price Data on BSE, is given hereunder:

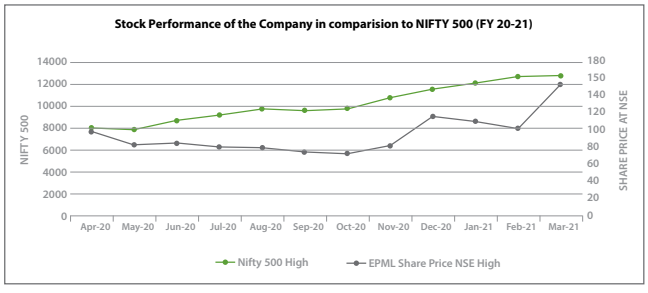
BSE		
Month	**High Price (₹)**	**Low Price (₹)**
April 2020	88.00	47.45
May 2020	83.90	65.00
June 2020	84.50	71.00
July 2020	81.40	68.75
August 2020	81.90	66.55
September 2020	74.90	64.60
October 2020	72.40	61.30
November 2020	82.00	60.60
December 2020	116.20	74.95
January 2021	112.00	94.05
February 2021	106.00	88.20
March 2021	153.80	92.20

Market Price Data on the NSE is given hereunder:

NSE		
Month	**High Price (₹)**	**Low Price (₹)**
April 2020	98.55	48.55
May 2020	83.30	63.60
June 2020	84.85	67.10
July 2020	81.00	69.00
August 2020	80.00	66.60
September 2020	74.80	65.30
October 2020	73.00	62.35
November 2020	82.00	62.75
December 2020	116.50	75.00
January 2021	111.00	93.00
February 2021	103.00	91.40
March 2021	154.15	91.20

G) Performance in Comparison to Broad-Based indices





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

Board's Report

I) Registrars & Transfer Agents (Physical & Demat):

Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor
Kolkata - 700001
Phone: 033-2243-5029/2248-2248
Fax: 033-22484787
Email: mdpldc@yahoo.com

J) Share Transfer System:

The physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. All the valid transfers are approved by the Stakeholders Relationship Committee and are noted at Board Meetings.

K) Distribution of Shareholding by ownership as on 31.03.2021 (Equity):

i) Shareholding Pattern as on 31.03.2021:

Category	Number of shares held	% of Shareholding
A. Promoters' holding		
Promoters		
- Indian Promoters		
Individuals	56,57,126	9.35
- Corporate	3,95,76,160	65.42
- Foreign Promoters	1,25,000	0.20
Sub-total	**4,53,58,286**	**74.97**
B. Non-Promoters' holding		
1. Institutional Investors		
a. Mutual Funds and UTI	40,46,639	6.69
b. Banks, financial institutions and Insurance companies	-	-
c. Central Govt./State Govt.	-	-
d. Foreign Portfolio Investors	3,00,002	0.50
Sub-total	**43,46,641**	**7.19**
2. Others		
a. Private Corporate Bodies	72,59,562	12.00
b. Indian Public	33,53,737	5.55
c. NRI / OCBs	8,563	0.01
d. NBFCs registered with RBI	-	-
e. Others(Clearing Member)	56,019	0.09
f. Others(Investors Education & Protection Fund)	1,16,242	0.19
Sub-total	**1,07,94,123**	**17.84**
Grand-total	**6,04,99,050**	**100.00**

ii) Distribution of Shareholding according to Nominal Value as on 31.03.2021:

Category	No. of Shareholders	Number of Shares held	% of Shareholding
1 – 50	3,154	47,899	0.0792
51 – 100	807	71,681	0.1185
101- 150	177	23,512	0.0389
151 – 250	367	75,815	0.1253
251 – 500	406	1,60,745	0.2657
501 – 5000	423	6,61,199	1.0929
5001 and above	130	5,94,58,199	98.2796
Total :	**5,464**	**6,04,99,050**	**100.0000**

L) Dematerialization of Shares

99.58 percent of the Company's Paid-up Equity Share Capital is held in dematerialized form, out of which 89.10 percent are held with National Securities Depository Limited (NSDL) and 10.48 percent are held with Central Depository Services (India) Limited (CDSL) as on 31st March 2021.

M) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.

The Company has not issued any of the aforesaid instruments.

N) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Regularly monitored and reviewed by the Management

O) Plant Locations:

1. Vill – Balgopalpur Balasore – 756 020, Odisha	2. R. N. Tagore Road, Alambazar Kolkata –700 035, West Bengal

P) Address for correspondence:

Company Secretary
EMAMI PAPER MILLS LIMITED
Acropolis, Unit 1, 15th Floor
1858/1, Rajdanga Main Road,
Kolkata-700 107.
Phone No. : (033) 66271301
Fax : (033) 66271338
Email: investor.relations@emamipaper.com
Website: www.emamipaper.in

Q) List of All Credit Rating obtained by the Entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit program or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

- Not Applicable

13) OTHER DISCLOSURES

i) Related Party Transactions:

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

ii) Compliances by the Company

The Company had received Notices from both the Stock Exchanges i.e National Stock Exchange of India Ltd (NSE) and BSE Limited (BSE) alleging the Company for Non-compliance of Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 relating to appointment of one Independent Woman Director in the Board of Directors of the top 1,000 Listed Companies by 1st April, 2020 and proposed fine for the alleged Non-Compliance. The matter was placed before Meetings of the Board of Directors held on 13th August, 2020 and 29th October, 2020 and as per the direction of the Board, the Company submitted its clarification against the Notices issued by both NSE and BSE with an intimation of appointment of Mrs. Mamta Binani as an Independent Woman Director (Non-executive) in the meeting of the Board of Directors of the Company held on 13th August, 2020.

As per the direction of the Board of Directors, the Company had also submitted its' application for waiver of fine imposed by NSE and BSE, as the Non-compliance caused due to Pandemic COVID-19 vide letter dated EPML/NSE/BSE/2020-21 dated 31st August, 2020 & EPML/NSE/BSE/2020-21 dated 23rd October,2020. The Empowered Committee of NSE took personal hearing on the matter on 11th November,

2020. The decision of the relevant Committee of the NSE was unfavorable. Accordingly, Company has paid a fine of ₹7,90,600/-, under protest levied by NSE and has applied to NSE for review.

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

iii) Vigil Mechanism and Whistle Blower Policy:

The Vigil Mechanism and Whistle Blower Policy was approved by the Board of Directors on 21st January 2014 and the same was further revised by the Board of Directors at their Meeting held on 02nd February 2019 in compliance with Regulation 22(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Objectives and Scope of the Policy are as follows:

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

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

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

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

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

The final decision would be taken by the Chairman of the Audit Committee in consultation with the Management. This Policy would help to draw the Company's attention to unethical, inappropriate or incompetent conduct which has or may have detrimental effects either for the organization or for those affected by its functions.

The policy is annexed as Annexure I to the Board's Report and is also available on the website of the Company at weblink http://www.emamipaper.in/compliances.php

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

iv) Dividend Distribution Policy:

The policy is and also available on the website of the Company at weblink http://www.emamipaper.in/compliances.php

v) The Policy for determining 'material' subsidiaries of the Company:

The Company does not have any subsidiary Company.

vi) Related Party Transaction Policy:

The Company had adopted a Related Party Transaction Policy which is available on the website of the Company at http://www.emamipaper.in/compliances.php

vii) Commodity Price Risk and Commodity hedging activities:

Regularly Monitored.

viii) Details of Utilization of funds raised through Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32(7A):

The Company has not raised any funds through Preferential Allotment or Qualified Institutional Placement during the Financial Year ended 31st March 2021.

ix) Certificate from Company Secretary in Practice:

A certificate from a Company Secretary in Practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI or Ministry of Corporate Affairs or any such statutory authority and is annexed hereto.

x) Non-Acceptance of the Recommendation of any Committee of the Board:

There has been no such instance where the Board has not accepted the recommendation of the Committees of the Company during the year under review.

xi) Fees paid to the Statutory Auditors (excluding Taxes):

Given below are the details of fees paid to M/s.Agrawal Subodh & Co., Chartered Accountants, Statutory Auditors of the Company on a consolidated basis during the Financial Year ended 31st March 2021:

Sl. No.	Payments to the Statutory Auditors (excluding taxes)	Fees paid (in ₹)
1.	Statutory Audit fees paid for Audit of the Company	12,00,000/-
2.	Fees paid for Limited Review of the Company	2,25,000/-
3.	Fees paid for other services	64,000/-
4.	Reimbursement of expenses	-
	Total	**14,89,000/-**

xii) Disclosure in Relation to the Sexual Harassment of Women At Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Sl. No.	Particulars	No. of Complaints
1.	Complaints filed during the Financial Year	NIL
2.	Complaints disposed of during the Financial Year	NA
3.	Complainants pending as on the end of the Financial Year	NA

xiii) Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has not received any complaints during the year.

The Company has complied with the requirements of Schedule V Corporate Governance Report sub paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

xiv) Details of compliance with mandatory requirements and adoption of Discretionary Requirements:

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. With regard to discretionary requirements, the Company has adopted clauses relating to the following:

i) Board: The Company has an Executive Chairperson.

ii) Reporting of Internal Auditor: The Internal Auditors report directly to the Audit Committee of the Company.

Board's Report

xv) The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance Status (Yes/No/NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to a subsidiary of the listed entity	NA
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements as specified in Part E of Schedule-II of Regulation 27(1) & 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Yes
46	Website	Yes

xvi) SUBSIDIARY

The Company does not have any subsidiary Company.

xvii) CODE OF CONDUCT

As per the requirement of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Board has revised the existing policy for Code of Conduct of the Company which was approved and reviewed by the Audit Committee and the Board of Directors at their respective meetings held on 5th February 2019.

The Company Secretary is the Compliance Officer.

As per the provision of Regulation 34(3) read with Clause D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a Compliance Certificate is also annexed to this Report signed by the CEO, certifying that all Members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the current year.

Code of Conduct and Business Ethics

The Company has adopted a Code of Conduct and Business ethics for Directors and Senior Management of the Company, as required under regulation 17(5) of the Listing Regulations.

The Company has received confirmations from the Directors and Senior Management regarding compliance with the Code for the year ended 31st March 2021. A certificate from the Whole Time Director & CEO to this effect is attached to this Report.

Code of Conduct for Prevention of Insider Trading

As required by the Provision of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Emami Paper Mills Limited - Code of Conduct to Regulate, Monitor, and Report Trading by Insiders. The Company Secretary acts as the Compliance Officer. The Code of Conduct is applicable to all the Directors and Designated Persons of the Company who are expected to have access to Unpublished Price Sensitive Information relating to the Company.

Web link of Code of Conduct at the website of the Company at http://www.emamipaper.in/ compliances.php

xviii) CEO/CFO CERTIFICATION

The CEO and CFO certification as required under Regulation 17(8) read with Schedule-II, Part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.

xix) DISCLOSURE WITH RESPECT TO THE UNCLAIMED DIVIDENDS

The unclaimed dividend for the year prior to and including the financial year, 2012-13 have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Shareholders who have not encashed their dividend warrants to the financial year(s) up to and including 2012-13 may claim such dividend from the IEPF Authority by applying in the prescribed Form No. IEPF-5. This Form may be downloaded from the website of the IEPF Authority.

The dividend for the year 2013-14, if remaining unclaimed for 7 years, will be statutorily transferred by the Company to Investor Education and Protection Fund (IEPF). Communication has been sent by the Company to the concerned Shareholders advising them to write to the Company with respect to their unclaimed dividend.

Attention is drawn that the unclaimed dividend for the financial year 2013-14 is due for transfer to IEPF on 14th September, 2021. Once the unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof on the Company. Details of Unclaimed Dividend is available on the Company's website: http://www.emamipaper.in/dividend.php

xx) TRANSFER OF UNCLAIMED SHARES TO THE INVESTOR PROTECTION FUND (IEPF) ACCOUNT AS PER SECTION 124(6) OF COMPANIES ACT, 2013:

The Ministry of Corporate Affairs vide it's Circular No: G.S.R. 854(E) dated 5th September 2016, notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016, subsequently modified on 28th February 2017.

In terms of the provisions of Section 124(6) of the Companies Act, 2013 read with IEPF Rules, in addition to the Unpaid or Unclaimed Dividend required to be transferred by the Company to the Investor Education and Protection Fund Authority, Equity shares relating to such unclaimed/unpaid Dividend and lying unpaid or unclaimed for 7 consecutive years or more were also required to be transferred to the Investor Education and Protection Fund Suspense Account (IEPF SUSPENSE ACCOUNT).

1,16,242 shares of the Company are lying in the IEPF Account of Central Government maintained with National Securities Depository Limited (NSDL) as on 31st March,2021.

As on 31st March, 2021, the total amount of Unclaimed/ Unpaid Dividend transferred to the IEPF suspense Account had a balance of ₹ 5,71,543.

Each of the shareholders was sent personal Notices at their latest Address on behalf of the Company regarding the transfer of their shares and also mentioned as to how to claim those shares and unclaimed dividend amount. A Public Notice was also published in an English and Bengali Newspaper and the same was uploaded on the Website of the Company along with the details of those shareholders.

In terms of Rule 6(3) of the Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016, the Statement containing the details of Name, Folio No. and Number of Shares transferred to IEPF Suspense Account is made available in our website www.emamipaper.in.

xxi) DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:

Not Applicable as the Company did not have any unclaimed shares in physical form pursuant to a public or any other issue.

xxii) POLICY FOR PRESERVATION OF RECORDS/ DOCUMENTS OF THE COMPANY:

The Company has adopted the Policy for Preservation of Records/Documents of the Company and was approved by the Board of Directors in their meeting held on 29th November, 2015.

The purpose of this Policy is to provide guidance to the executives working in the Company regarding the preservation of the documents in accordance with the provisions of the Companies Act, 2013 and as mandated by the provisions of Regulation 9 of Chapter III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policy is available at the website of the Company i.e. http://www.emamipaper.in/compliances.php

xxiii) CODE FOR PREVENTION OF INSIDER-TRADING PRACTICES AND FAIR DISCLOSURES:

As per SEBI (Prohibition of Insider Trading) Regulations 2015, the Company Secretary is the Compliance Officer and is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of price-sensitive information, preclearance of trade, monitoring of trades and implementation of the Code of Conduct for trading in Company's securities under the overall supervision of the Board.

Further, the Audit Committee and the Board of Directors

at their respective meetings held on 05th February 2019 have reviewed and approved the Revised Code including the Policy for Prevention of Insider Trading in securities of the Company as well as Code for Corporate Fair Disclosure Practices, considering certain amendments issued by SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/59 dated 31st December 2018.

This Revised Code for Prevention of Insider Trading in Securities of the Company as well as Code for Corporate Fair Disclosure Practices are applicable to all the Directors/ Officers, Insiders, Designated Persons of the Company and is in effect from 01st April 2019 onwards.

As per Regulation 9(A)(4) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Audit Committee shall review the Compliances of Provisions of the Regulations at least once in a financial year and shall verify that the system for internal control is adequate and are operating effectively.

The Code of Corporate Fair Disclosures Practices is also displayed on the Website of the Company at http://www.emamipaper.in/compliances.php

xxiv) POLICY FOR DETERMINATION OF MATERIALITY OF ANY EVENTS/INFORMATION:

The Company has adopted the Policy for Determination of Materiality of any Events/Information of the Company and was approved by the Board of Directors in their meeting held on 29th November 2015.

The purpose of this Policy is to determine the materiality of events and information based on criteria specified under Clause (i) of Sub Regulation (4) of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and to disclose of events/information to the Stock Exchanges.

The policy is available at the website of the Company i.e. http://www.emamipaper.in/compliances.php

xxv) POLICY FOR ARCHIVING OF DOCUMENTS WHICH ARE HOSTED ON THE WEBSITE OF THE COMPANY:

The Company has adopted the Policy for Archiving of Documents which are hosted on the website of the Company and was approved by the Board of Directors in their meeting held on 29th November 2015.

This Policy is framed for the purpose of archiving of the documents which are hosted in the Company's Website in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Policy is available at the website of the Company i.e. http://www.emamipaper.in/compliances.php

xxvi) SECRETARIAL AUDIT:

Secretarial Audit from an Independent Practicing Company Secretary M/s. MKB & Associates, Company Secretaries for the financial year ended 31st March 2021 has been completed and Secretarial Audit for the year forms part of this Annual Report.

For and on Behalf of the Board of Directors

Aditya V. Agarwal
Executive Chairman
(DIN: 00149717)

Place: Kolkata
Date: 1st June, 2021

CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

[Pursuant to Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]

We, Vivek Chawla, Whole-time Director & Chief Executive Officer (CEO) and S. K. Khetan, Director (Operations) & Chief Financial Officer (CFO) certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2021 to the best of our knowledge and belief:
   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. We also certify that based on our knowledge and belief, no transactions entered into by the Company during the year, which is fraudulent, illegal or violates the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee:
   1. significant changes in internal control during the year over financial reporting during the year;
   2. significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
   3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **Emami Paper Mills Limited**

Place: Kolkata
Date: 1st June, 2021

S. K. Khetan
Director (Operations) & CFO

Vivek Chawla
Whole-time Director & CEO

DECLARATION REGARDING CODE OF CONDUCT

[Under Regulation 34(3) read with Clause D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

As per requirement of Regulation 34(3) read with Clause D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Vivek Chawla, Whole-time Director and Chief Executive Officer (CEO) of Emami Paper Mills Limited hereby declare that:

All members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Director and Senior Management personnel of the Company for the year 2020-21.

For **Emami Paper Mills Limited**

Place: Kolkata
Date: 1st June, 2021

Vivek Chawla
Whole-time Director & CEO

Board's Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

To,
The Members
Emami Paper Mills Limited
'ACROPOLIS', Unit No.1, 15th Floor,
1858/1, Rajdanga Main Road,
Kolkata-700107

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Emami Paper Mills Limited having CIN: L21019WB1981PLC034161 and having registered office at 'ACROPOLIS', Unit No.1, 15th Floor, 1858/1, Rajdanga Main Road, Kolkata-700107 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of the Director	DIN	Date of Appointment
1.	Mr. Aditya Vardhan Agarwal	00149717	23-10-2000
2.	Mr. Manish Goenka	00363093	01-02-2000
3.	Mrs. Richa Agarwal	01505726	27-01-2015
4.	Mr. Jayant Narayan Godbole	00056830	17-03-2007
5.	Mr. Sundaram Balasubramanian	02849971	05-05-2010
6.	Mr. Hari Mohan Marda	00855466	27-01-2009
7.	Mr. Jugal Kishore Khetawat	00920819	11-08-2011
8.	Mr. Shyamalendu Chatterjee	00048249	07-01-2019
9.	Mrs. Mamta Binani	00462925	13-08-2020
10.	Mr. Pitamber Sharan Patwari	00363356	28-11-1994
11.	Mr. Vivek Chawla	02696336	02-12-2020
12.	Mr. Sushil Kumar Khetan	00358577	07-11-2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SUSHIL TIWARI & ASSOCIATES**
Company Secretaries

(Sushil Tiwari)
Proprietor

Dated : 27/04/2021
UDIN : A006199C000194376

Independent Auditor's Certificate on Compliance with Corporate Governance Requirements under SEBI (listing obligations Regulation 2015 and Disclosure Requirements)

To
The Members of
EMAMI PAPER MILLS LIMITED

We have examined the compliance of conditions of Corporate Governance by Emami Paper Mills Limited for the year ended on 31st March, 2021 as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the Listing Regulations").

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

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

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

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

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

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

For **Agrawal Subodh & Co.**
Chartered Accountants
Firm's Registration No – 319260E

Subodh Kumar Agrawal
Partner
Membership No. – 054670
UDIN : 21054670AAAAAB157U

Place : Kolkata
Date : 1st June, 2021

Board's Report

ANNEXURE - VII

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identification Number	L21019WB1981PLC034161
2	Name of the Company	EMAMI PAPER MILLS LIMITED
3	Registered address	ACROPOLIS, Unit 1, 15th Floor, 1858/1, Rajdanga Main Road, Kolkata -700107, Phone: (033) 66271301, Fax: (033) 66271338.
4	Website	www.emamipaper.in
5	Email address	emamipaper@emamipaper.com
6	Financial year reported	2020-21
7	Sector(s) that the Company is engaged in (Industrial activity code-wise)	Manufacture of Paper and Paperboard (Industrial code – 1701)
8	Three key products/services manufactured/ provided by the Company	i) Multi-layer Paperboard, ii) Writing and printing paper, iii) Newsprint.
9	Total number of locations where business activity is undertaken by the Company	i) No. of International Location: Nil ii) No. of National Location: 2 a) Balasore, Odisha, India b) Kolkata, West Bengal, India
10	Markets served by the Company	National & International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up capital	INR 12.10 crores
2	Total turnover	INR 1,216.27 crores
3	Total profit after tax	INR 51.06 crores
4	Total spending on CSR as percentage of profit after tax	INR 47.50 lacs i.e. 2.94% of last 3 years average net profit.
5	List of the activities in which expenditure in 4 above has been incurred	Eradication of hunger & health care Promoting education Gender equality & Women empowerment Environment Protection of Historical importance and national heritage

SECTION C: OTHER INFORMATION

1	Does the Company have any Subsidiary Company/ Companies?	No.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Business Responsibility initiatives are applicable to the management and all the employees of the company. The Company encourages adoption of BR initiatives by its Business partners also. Based on dialogue with the supplier and distributors of the Company, currently less than 30% of other entities participate in the BR initiatives of the Company.

Board's Report

SECTION D: BR INFORMATION

1. Details of Director's responsible for BR

a) Details of the Director responsible for implementation of BR policies

1	DIN number	00358577
2	Name	Mr. S.K.Khetan
3	Designation	Director (Operations) & CFO.

b) Details of BR head:

1	DIN number	00358577
2	Name	Mr. S.K.Khetan
3	Designation	Director (Operations) & CFO.
4	Contact number	0678-2275726
5	Email	skkhetan@emamipaper.com

2. Principal-wise (as per NVG's) BR Policy/Policies.

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

These briefly are as follows:

Principles	Description	Company's Policy
Principle 1	Businesses should conduct and govern themselves with ethics, transparency and accountability.	Code of Conduct, Whistle Blower Policy
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability through their life cycle.	Quality Policy
Principle 3	Businesses should promote the well-being of all employees.	HR Policy
Principle 4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	CSR Policy
Principle 5	Businesses should respect and promote human rights.	CSR Policy
Principle 6	Businesses should respect, protect and make efforts to restore the environment.	Environment Policy
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	Code of Conduct
Principle 8	Businesses should support inclusive growth and equitable development	CSR Policy
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.	Quality Policy

Board's Report

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

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify?	Most of the policies are aligned to various standards like: ISO 9001 (Quality management system), ISO 14001 (Environment Management System), ISO 45001 (Occupational Health & Safety Management System).								
4.	Has the policy been approved by the Board? If yes, has it been signed by the MD/owner/CEO/ appropriate Board Director?	Yes, the applicable policies have been approved by the Board/Management and signed by the concerned authorized persons.								
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Policies are reviewed by various committees of the Board/Management from time to time.								
6	Indicate the link for the policy to be viewed online?	Policies hosted on Company's website http://www.emamipaper.in/compliances.php								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Policies are available on the Company's website www.emamipaper.in								
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The Policies and its implementation are regularly evaluated/audited by Independent Internal and Statutory Auditors of the Company.								

(b) If answer to S.No.2a against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	Not Applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The BR Performance of the company is assessed on a need basis and in accordance with statutory requirements.

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

As per SEBI Notification No. SEBI/LAD-NRO/GN/2019/45 dated 26.12.201 the company had published its BR Report in its Annual Report for 2019-20, which can be accessed online at: http://www.emamipaper.in/downloads/epml-ar-2019-20.pdf.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

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

   Yes, the Company has policies to address ethics, bribery and corruption related matters. The Company encourages its business partners to adopt and follow equivalent policies.

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

Stakeholders	Complaints Received during F.Y.2020-21	Complaints Resolved during F.Y.2020-21	Complaints Resolved (%)
Investors' Complaints	1 (One)	1 (One)	100

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

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
   a) Newsprint from deinked pulp
   b) Writing and printing paper from FSC certified wood pulp
   c) Paperboard from FSC certified wood pulp.
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
   a. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?
      i) **Raw Material:** The Company uses recycle fiber (waste paper) and various grades of imported virgin fiber as raw material. By optimizing mix of different types and grades of fiber and by using filler materials as substitute to fiber, the Company has reduced consumption of virgin fiber in production of paper and paperboard.
      ii) **Water:** The Company has taken multiple initiatives to reduce water consumption, including re-use of waste water after tertiary treatment. As a result, water consumption per ton of paper and paperboard production has been reduced.
      iii) **Energy:** The Company has taken several initiatives to reduce consumption of power and steam per ton of paper and paperboard produced. The company has three coal fired captive boiler and three captive turbo-generator, which are run in an inter-connected manner to ensure optimum and efficient use of coal as well as high pressure steam. All three captive power plants are co-generation based, which ensures optimum use of input fuel and provide better efficiency of conversion into output energy.
   b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

      The Company manufactures and supplies paper

and paperboard on B2B basis. Customers of the Company perform further processing to paper and paperboard in the form of cutting, printing, laminating, etc. Consumption of electricity and water by those consumers largely depends on the nature of processing done by its consumers and equipment used by them. It is not feasible for the Company to identify and measure the reduction of resource usage by its consumers.

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

   a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.

      Major source of Company's raw material is waste paper, which is environment friendly. The Company uses FSC certified imported wood pulp to ensure replenishment of forest and greenery depleted by use of pulp wood.

      The Company has access to abundantly coal available from Talcher and other collieries of MCL situated nearby; facilitating sustainable supply of fuel to the Company with low transportation cost.

      The Company encourage local sourcing of inputs to the extent of availability of required quality inputs and while selecting suppliers the Company ensures whether the selected partners are conscious of sustainable sourcing of resources.

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

   The Company always prefers to source goods and services from local suppliers with an objective of Vendor Development within the vicinity of plant. The objective also assures timely supply, besides the cost advantage in all these sourcing, improving socio-economic conditions of local area including increase in employment and better distribution of wealth.

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

   The Company believes that waste created in operations is a potential resources for various other activities. Hence, it has strategically shifted its focus towards harnessing this potential resource to the best use within the operations by optimizing existing processes. This has furthered the commitment towards reducing environmental impact of business activities via waste minimization and re-use.

   100% of the fly ash generated in coal fired boiler of the Company is consumed by local brick manufactures.

Principle 3: Businesses should promote the well-being of all employees.

1. Please indicate the total number of employees. **1,312**
2. Please indicate the total number of employees hired on temporary/contractual/casual basis. **2,026**
3. Please indicate the number of permanent women employees. **16**
4. Please indicate the number of permanent employees with disabilities. **Nil**
5. Do you have an employee association that is recognised by management?

   Collective bargaining agreements exist with trade unions on a local level and these agreements promote the acceptance of responsibility by both parties and the development of a positive health and safety culture.

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

   Most of the permanent workers are member of one union or others.

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

   No such complaints pertaining to child labour, forced labour, involuntary labour, sexual harassment were reported in the current financial year.

Board's Report

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

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

(a)	Permanent Employees	}	Almost all the employees join the Company's Safety and Skill upgradation programs and are conscious about its utility and benefits
(b)	Permanent Women Employees		
(c)	Casual/Temporary/Contractual Employees		
(d)	Employees with Disabilities		

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

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

   Yes, the Company has mapped its internal and external stake-holders. The key stake-holders of the Company includes its customers, Regulatory Authorities including Government, Employees, Vendors, Contractors, Bankers and Shareholders.

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

   Yes. Underprivileged communities around the Company's business locations are identified as disadvantaged, vulnerable and marginalized stakeholders. The needs and priorities of such stakeholders are identified by the company. The Company continuously engages with all such stakeholders to serve their needs accordingly.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders?

   The Company has initiated and implemented a number of CSR programs for improving the life of under privileged people around the Company's business locations for Community living, Education, Health, Skill Development, Rural Development, Environmental Sustainability, Women Empowerment, Promotion of Sports, Art & Culture etc.

Principle 5: Businesses should respect and promote human rights.

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

   The Company follows its policy on Human Rights which are applicable to all employees in the Company. The Company also encourages its Vendors/Contractors to follow human rights policy.

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

No complaints were received by the Company on human rights violations.

Principle 6: Business should respect, protect and make efforts to restore the environment.

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

   The Company is committed towards environmental protection and has a well-defined corporate environmental policy in place. The policy covers the Company & its employees. The Company encourages its contractors, suppliers and other business partners to employ environment friendly measures in their day to day operations.

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

   The Company has taken up several initiatives to address global environmental issues such as climate change, global warming, waste minimization, effluent reduction, water conservation. These initiatives includes ground

water recharging, recycling of process water, promoting fly ash brick plants ensuring 100% consumption of fly ash, use of treated effluent water through state-of-the art ETP for cultivation, green belt development in and around the Company premises, etc. Most importantly, the Company uses waste paper as its primary source of raw material; thus producing green paper.

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

   Yes, the Company identifies and assesses potential environmental risks and takes all necessary steps to eliminate the same.

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

   No.

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

   The Company is self-reliant in electrical energy and thermal energy for its high efficiency co-generation captive power plants. Cogeneration is a generation mechanism, which simultaneously produces two or more forms of useful energy such as electric power and steam. Cogeneration, due to its ability to utilize the available energy in more than one form, use significantly less fuel input than what would be needed to produce them separately. By achieving higher efficiency, cogeneration makes a significant contribution in energy conservation and in reduction of greenhouse gas emissions.

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

   In the reporting period, the emissions, solid waste and effluents generated were within the limits as prescribed by CPCB / SPCB.

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

   During the reporting period, there were zero non-compliances with environmental laws and/or regulations and the Company did not received and show cause / legal notices from SPCB / CPCB

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

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

   The Company is member of the following associations:

   - IPMA – Indian Paper Manufactures Association
   - INMA – Indian Newsprint Manufactures Association
   - FIEO – Federation of Indian Export Organisations
   - CII - Confederation of Indian Industry
   - NOCCI – North Orissa Chamber of Commerce & Industry
   - BCIC - Balasore Chamber of Industries & Commerce
   - UCCI - The Utkal Chamber of Commerce & Industry Ltd.

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

   As a member of various associations, the Company has made continuously effort to make a difference in the areas of Economic Reforms, Inclusive Development policies, Energy security, Water management & Sustainability issues and Environmental policy.

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

1. Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8?

   Yes, the Company undertakes the initiatives through CSR Committee of the Board as per the CSR policy of the Company. The details of CSR Report is attached to the Directors' Report.

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

   The programmes are mainly carried out by the Company directly through its in-house team. (The details can be found in **Annexure III** of the Directors' Report).

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

   Yes, the CSR Committee, periodically performs an important assessment of its initiatives to understand the efficacy of the programme in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

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

(₹/Lacs)

Sl No	CSR Project	Expenditure
1.	Eradication of hunger & health care	8.14
2.	Promotion of Education & Vocational Skills	2.08
3.	Promoting Gender equality & women empowerment	0.26
4.	For ensuring Environmental sustainability, ecological balance, animal welfare, agroforestry, conservation of natural resources	31.74
5.	Protection of Historical importance and national heritage	1.69
6.	Contribution to Prime Ministers National Relief Fund or any other fund setup by the Central Government for socio economic development and relief	-
7.	Rural Development	3.59
	Total:	**47.50**

6. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

   Our Management regularly interact with the local communicates to assess the impact of community development projects undertaken to ensure that the objectives and benefits of these projects are being met.

Principle 9 Business should engage with and provide value to their customers and consumers in a responsible manner.

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

   No consumer complaints are pending as on the end of financial year.

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

   The Company has an uncompromising commitment to provide best in-class products and customer satisfaction. The Company complies with all laws and regulations concerning marketing communications. In line with this, the required information as mandated by law is inscribed on the product label of the Company.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year?

   No case has been filed by any stake-holders against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behavior during the last five years and pending as on end of the financial year.

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

   Yes, Consumer Satisfaction survey is an integral part of the company. The Company regularly carries out Consumer Satisfaction Survey. This provide valuable feedback for the company for providing the best possible product and service to customers and to continuously improve in its engagement with customer.

Independent Auditors' Report

To the Members of
EMAMI PAPER MILLS LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **EMAMI PAPER MILLS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS Financial Statements and a summary of the significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year then ended.

Basis for Opinion

We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to note no. 2.57 to the Ind AS Financial Statements for the year ended March 31, 2021, which describes the impact of COVID-19 on the demand and scale of operations of the Company during 1st half of the Financial Year 2020-21 and further states that operation of the company has been in the way of steady recovery since 3rd quarter of the year and in the of 4th quarter the company has achieved 95% utilization of its capacity.

Our conclusion is not modified in respect of the above matter.

Key Audit Matters

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

1. Temporary shutdown of Gulmohar Unit

Key Audit Matters	Response To KAM
Company's Gulmohar unit is under temporary shut since, 24th March,2020 due to low market demand of newsprint as a result of COVID-19 pandemic. Production capacity of the unit is 16,500 ton per annum, which is about 5% of the total capacity of the company. These led to checking of impairment of Gulmohar unit (cash generating unit). Refer Note No.- 2.57 of Notes to Accounts	Audit procedures followed is: ➢ There exist certain External indicators to Gulmohar Unit and for this impairment testing needs to be done, whether impairment is there or not. We have checked those indicators. External indicators: • Significant changes with an adverse effect on the entity have taken place during the period in the market demand of the product. • The outbreak COVID-19 and lockdown has significantly impacted the operation of Gulmohar unit resulting into plant shut.

Independent Auditors' Report

Key Audit Matters	Response To KAM
	➢ Because of above mentioned indicators, we checked the fair value through valuation report of Chartered Engineers provided by the management, where we found that the Fair Market Value of the properties at Gulmohar Unit amounts to ₹ 34.38 crores, which is higher than the carrying value of the unit amounting to ₹10.20 crores as on 31st March, 2021. Conclusion: Hence, it is concluded that no impairment loss is required.

2. Interest Rate Risk Mitigation

Key Audit Matter	Response to KAM
The company uses derivative financial instruments to hedge interest rate risks arising from loans taken in the ordinary course of business. Management's hedging policy is documented in corresponding internal guidelines and serves as the basis for these transactions. The means of limiting this risk include entering into cross-currency interest rate swaps. The companies enter into interest rate hedges for the purpose of achieving an economically sensible ratio of floating to fixed interest rate exposures. Asset/(Liability) in respect of those interest rate swaps are measured at fair value (i.e., mark to market value). Any change in mark to market value of those swaps are recognized in Other Comprehensive Income when those qualify for hedge accounting and designated as hedge instrument by the company; in other cases, the change in mark to market value is recognized in Profit and Loss Statement. Accordingly, the company is carrying interest rate swap assets of Nil value and interest rate swap liability of INR 9.42 Cr as at 31.03.2021; the change in fair value amounting to INR 0.81 Cr loss is recognized in Other Comprehensive Income and that amounting to INR 2.03 Cr loss is recognized in Profit and Loss Statement. Refer Note No – 2.6, 2.14, 2.20 and 2.28 of Notes to Accounts.	Principal Audit Procedures As a part of our audit procedures, among other things we assessed the contractual and financial parameters and evaluated the accounting treatment, including the effects on equity and profit or loss, of the various hedging relationships. We also evaluated the Company's internal control system with regard to derivative financial instruments, including the internal activities to monitor compliance with the hedging policy. In addition to evaluating the internal control system, we obtained bank confirmations for the hedging instruments in order to assess completeness. With regard to the expected cash flows and the assessment of the effectiveness of hedges, we essentially conducted a retrospective assessment of past hedging levels. In doing so, we were able to satisfy ourselves that the estimates and assumptions made by management were substantiated and sufficiently documented. Conclusion: We agree with management's evaluation.

Independent Auditors' Report

3. Optionally Convertible Preference Shares

Key Audit Matter	Response to KAM
The entity had issued 61.25 lacs Cumulative Redeemable Non-Convertible Preference Shares (CRNPS) of ₹ 100/- each at a premium of ₹ 300/- per share in the years 2012-2013, 2013-2014 and 2014-2015 for a period of 12 years. Those are classified as debt measuring at amortized cost pursuant to Ind AS 32 and Ind AS 109. On 27th March,2021, the company has made the variations in terms of CRNPS and converted into Non-Cumulative Redeemable Optionally Convertible Preference Shares (OCRPS). OCRPS are convertible at the option of the company into fixed number of equity shares. As a result of variations in terms, the company classified the new OCRPS as equity measuring at fair value. The difference between amortized value of CRNPS and fair value of OCRPS amounting to ₹72.46 crore is recognized as income in profit and loss statement under exceptional item. Refer Note No.- 2.18 of Notes to Accounts.	Our procedures included the following: ➢ Checking proposal of change as per Ind AS 32 for correct classification of the preference shares (OCRPS) to equity as per Ind AS 32. ➢ Checking of applicable Indian Accounting Standards. ➢ Checking of certificate issued by the registered valuer for Fair Value of optionally convertible preference shares considered as equity as per Ind AS 32. ➢ Checking of various compliances, viz., compliances of Companies Act 2013, SEBI Regulations, etc. ➢ Checking of tax implication, if any. Conclusion: We found that the management's evaluation is correct in terms of applicable Ind AS and accounting principle.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, Corporate Overview, Key Highlights, Board of Director's Report, Report on Corporate Governance, Management Discussion & Analysis Report, Business Responsibility Report, etc., but does not include the Ind AS financial statements and our auditor's report thereon.
- Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Ind AS Financial Statements

- The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
- This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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Independent Auditors' Report

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

Auditor's Responsibility

- Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual Ind AS financial statements.
- As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  a) Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  b) Obtain an understanding of internal controls relevant to the audit 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 controls system over financial reporting and the operating effectiveness of such controls.
  c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  e) Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report

Report on other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the Directors as on 31st March, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

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

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provision of Section 196 and 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the 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 impact of pending litigations on its financial position in its Ind AS financial statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts, which were required to be transferred to the Investor education and Protection Fund by the Company.

2. 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 "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **Agrawal Subodh & Co.**
Chartered Accountants
Firm's Registration No – 319260E

Subodh Kumar Agrawal
Partner
Membership No. – 054670
UDIN:21054670AAAAAD5797

Place: Kolkata
Date: 1st June, 2021

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Annexure 'A'

to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date to the members of Emami Paper Mills Limited on the Ind AS Financial Statements for the year ended March 31, 2021)

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

- We have audited the internal financial controls over financial reporting of Emami Paper Mills Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial controls

- The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' 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 Ind AS 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 with reference to Ind AS financial statements.

Meaning of Internal Financial Controls with reference to Ind AS financial statements

- 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 Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS financial statements includes those policies and procedures that

  (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

  (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

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

Annexure 'A'

to the Independent Auditors' Report

Inherent Limitations of Internal Financial Controls with reference to Ind AS financial statements

- Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements 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, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Agrawal Subodh & Co.**
Chartered Accountants
Firm's Registration No – 319260E

Subodh Kumar Agrawal
Partner
Membership No. – 054670
UDIN:21054670AAAAAD5797

Place: Kolkata
Date: 1st June, 2021

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Annexure 'B'

to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the Ind AS financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

ii. According to the information and explanations given to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of accounts.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act,2013.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, not made investments and has not provided guarantees and securities, as applicable with the provisions of Sections 185 and 186 of the Companies Act, 2013.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.

vii. According to the information and explanations given to us in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues to the appropriate authorities during the year. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable.

Annexure 'B'

to the Independent Auditors' Report

(b) Details of dues of Central Sales Tax, Service Tax, Excise Duty, Entry Tax and Value Added Tax which have not been deposited as on 31st March, 2021 on account of disputes are given below:

Particulars	Financial year to which the matter pertains	Forum where matter is pending	Amount (₹ in Lacs)	Amount Unpaid (₹ In Lacs)
The Central Excise Act, 1994 & Service Tax (Finance Act, 1994)		Case to be filed before		
	1994-95	Additional Commissioner of Central Excise	0.87	0.87
	2006-07	Tribunal	110.64	74.81
	2008-09	CESTAT, Kolkata	0.21	0.07
	2011-12 & 2012-13	CESTAT,Kolkata	9.09	8.18
	2012-13 to 2014-15	Commissioner (Appeal - I)	2.89	2.67
	2010-11 to 2012-13	Commissioner (A) BBSR	19.03	18.32
	2011-12	CESTAT,Kolkata	4.46	3.67
	2014-15	Commissioner (Appeal), Bhubaneshwar	18.62	2.43
	2014-15	Commissioner (Appeal), Bhubaneshwar	45.76	5.97
Central Sales Tax	2004-05	DCCT	1.99	0.53
	2009-10	Commissioner (Appeal)	19.62	17.12
	2015-16	Tribunal (Cuttack)	2.17	1.15
	2016-17	DCCT	2.75	-
ESIC	1996-97	ESIC Labour Court	0.25	0.22
Entry Tax Act (West Bengal)	2013-14	High Court	89.39	81.28
	2014-15	High Court	83.48	83.48
	2015-16	High Court	82.42	82.42
	2017-18	High Court	23.36	23.36

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or borrowings to financial institutions, bankers and the government. The Company did not have any outstanding debentures during the year.

ix. The Company did not raise any money by way of initial public offer and further public offer (including debt instrument). To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the company were applied for the purpose for which the loans were obtained.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given to us, the company has paid/ provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act being taken as prescribed under the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi

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Annexure 'B'

to the Independent Auditors' Report

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 Ind AS Financial Statements as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and based on our examination of the records, 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 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 them. Accordingly, paragraph 3 (xv) of the Order is not applicable.

xvi. According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

For **Agrawal Subodh & Co.**
Chartered Accountants
Firm's Registration No – 319260E

Subodh Kumar Agrawal
Partner
Membership No. – 054670
UDIN:21054670AAAAAD5797

Place: Kolkata
Date: 1st June, 2021

Balance Sheet

as at 31st March, 2021

(₹ in crores)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	1,225.32	1,297.91
Capital work-in-progress	2.2	0.10	0.98
Intangible assets	2.3	0.09	0.15
Financial assets			
Investments	2.4	53.52	24.04
Loans	2.5	2.59	3.68
Derivative assets	2.6	-	1.15
Others	2.7	0.01	0.12
Other non-current assets	2.8	8.03	7.15
		1,289.66	**1,335.18**
Current assets			
Inventories	2.9	222.53	278.40
Financial assets			
Trade receivables	2.10	201.01	209.38
Cash and cash equivalents	2.11	11.93	19.15
Bank balance other than cash and cash equivalents	2.12	1.79	1.34
Loans	2.13	0.36	3.33
Derivative assets	2.14	-	0.23
Others	2.15	13.82	13.39
Current tax asset		0.28	1.49
Other current assets	2.16	46.85	55.93
		498.57	**582.64**
Total assets		**1,788.23**	**1,917.82**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.17	12.10	12.10
Convertible preference shares	2.18	243.52	-
Other equity		283.84	206.82
		539.46	**218.92**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	2.19	405.12	780.33
Derivative liability	2.20	6.62	6.45
Other financial liabilities	2.21	8.19	8.29
Provisions	2.22	14.69	16.03
Deferred tax liabilities (net)	2.23	76.00	21.01
Deferred revenue	2.24	0.08	22.79
		510.70	**854.90**
Current liabilities			
Financial liabilities			
Borrowings	2.25	298.90	464.82
Trade payables for goods	2.26	154.01	154.55
Trade payables for services	2.27	28.14	35.53
Derivative liability	2.28	2.80	2.18
Other financial liabilities	2.29	244.66	176.74
Other current liabilities	2.30	9.56	10.18
		738.07	**844.00**
Total equity and liabilities		**1,788.23**	**1,917.82**
Significant accounting policies	1		
Notes forming part of the financial statements	2		

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For **AGRAWAL SUBODH & CO**
Chartered Accountants
Firm Registration Number : 319260E

Subodh Kumar Agrawal
Partner
Membership No. 054670
Place: Kolkata
Date: 1st June, 2021

Aditya V. Agarwal
Executive Chairman

Manish Goenka
Whole-time Director

Vivek Chawla
Whole-time Director & CEO

S. K. Khetan
Director (Operations) and CFO

G. Saraf
V.P. (Finance) & Company Secretary

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Statement of Profit & Loss

for the year ended 31st March, 2021

(₹ in crores)

Particulars	Note	Year ended 31st March, 2021	Year ended 31st March, 2020
REVENUES			
Revenue from operation	2.31	1,216.27	1,515.32
Other income	2.32	20.31	3.82
Total income		**1,236.58**	**1,519.14**
EXPENSES			
Cost of material consumed	2.33	726.25	883.07
Changes in inventories of finished goods and work-in-progress	2.34	47.32	56.13
Power and fuel	2.35	91.39	130.11
Employee benefits expense	2.36	63.86	70.18
Finance costs	2.37	95.27	117.36
Depreciation and amortization expense		72.14	72.53
Other expenses	2.38	110.19	167.28
Total expenses		**1,206.42**	**1,496.66**
Profit before exceptional items and tax		**30.16**	**22.48**
Exceptional items			
Variation in rights attached to preference shares		72.46	-
Expansion project abandonment expenditures		-	(27.00)
Profit/(loss) before tax		**102.62**	**(4.52)**
Tax expenses			
Current tax	2.39	(0.01)	0.27
Reversal of accumulated MAT credit		49.16	-
Deferred tax	2.40	2.41	5.66
Total tax expenses		**51.56**	**5.93**
Profit/(loss) for the year		**51.06**	**(10.45)**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement of gains/(losses) on employees defined benefit plans		0.70	(2.52)
Less: Income tax effect on above		(0.54)	0.88
Fair value changes of investment in equity shares		29.49	(19.79)
Less: Income tax effect on above		(2.48)	3.79
Items that will be reclassified to profit and loss			
Net fair value changes of cash flow hedges		(0.81)	(3.11)
Less: Income tax effect on above		(0.40)	1.09
Total other comprehensive income		**25.96**	**(19.66)**
Total comprehensive income for the year		**77.02**	**(30.11)**
Earning per equity share (Face value ₹ 2/- each)	2.51		
(1) Basic (in ₹)		8.43	(1.73)
(2) Diluted (in ₹)		8.40	(1.73)
Significant accounting policies	1		
Notes forming part of the financial statements	2		

The accompanying notes are an integral part of these financial statements
In terms of our attached report of even date

For **AGRAWAL SUBODH & CO**
Chartered Accountants
Firm Registration Number : 319260E

Subodh Kumar Agrawal
Partner
Membership No. 054670
Place: Kolkata
Date: 1st June, 2021

Aditya V. Agarwal
Executive Chairman

Manish Goenka
Whole-time Director

Vivek Chawla
Whole-time Director & CEO

S. K. Khetan
Director (Operations) and CFO

G. Saraf
V.P. (Finance) & Company Secretary

Statement of Changes in Equity

for the year ended 31st March, 2021

(₹ in crores)

Equity share capital

Particulars	Balance at the beginning of the reporting year	Changes during the reporting year	Balance at the end of the reporting year
For the year ended 31.03.2020	12.10	-	12.10
For the year ended 31.03.2021	**12.10**	**-**	**12.10**

Convertible preference shares classified as equity

Particulars	Balance at the beginning of the reporting year	Changes during the reporting year	Balance at the end of the reporting year
For the year ended 31.03.2020	-	-	-
For the year ended 31.03.2021	**-**	**243.52**	**243.52**

Other equity

Particulars	Reserve and surplus				Items of other comprehensive income			Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Not re-classifiable to profit and loss		Re-classifiable to profit & loss	
					FVTOCI of Equity investment	Remeasurement of defined benefit plans	Cash flow hedge reserve	
Balance on 01.04.2019	**1.33**	**17.93**	**140.00**	**53.33**	**37.48**	**(2.12)**	**(2.04)**	**245.91**
Effect of adopting Ind AS 116	-	-	-	(0.23)	-	-	-	(0.23)
Profit for the year 2019-20	-	-	-	(10.45)	-	-	-	(10.45)
Other comprehensive income for the year	-	-	-	-	(16.00)	(1.64)	(2.02)	(19.66)
Change during the year	-	-	-	(10.68)	(16.00)	(1.64)	(2.02)	(30.34)
Dividend and dividend distribution tax	-	-	-	(8.75)	-	-	-	(8.75)
Balance on 31.03.2020	**1.33**	**17.93**	**140.00**	**33.90**	**21.48**	**(3.76)**	**(4.06)**	**206.82**
Profit for the year 2020-21	-	-	-	51.06	-	-	-	51.06
Other comprehensive income for the year	-	-	-	-	27.01	0.16	(1.21)	25.96
Change during the year	-	-	-	51.06	27.01	0.16	(1.21)	77.02
Dividend and dividend distribution tax	-	-	-	-	-	-	-	-
Balance on 31.03.2021	**1.33**	**17.93**	**140.00**	**84.96**	**48.49**	**(3.60)**	**(5.27)**	**283.84**

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For **AGRAWAL SUBODH & CO**
Chartered Accountants
Firm Registration Number : 319260E

Subodh Kumar Agrawal
Partner
Membership No. 054670
Place: Kolkata
Date: 1st June, 2021

Aditya V. Agarwal
Executive Chairman

Manish Goenka
Whole-time Director

Vivek Chawla
Whole-time Director & CEO

S. K. Khetan
Director (Operations) and CFO

G. Saraf
V.P. (Finance) & Company Secretary

Cash Flow Statement

for the year ended 31st March, 2021

(₹ in crores)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Cash Flow From Operating Activities :		
Profit before tax	102.62	(4.52)
Adjustment for :		
Depreciation and amortization expenses	72.14	72.53
Variation in rights attached to preference shares	(72.46)	-
Project abandonment expenses	-	27.00
Fair value Loss / (Gain) on derivatives	1.36	1.83
Provision for Earned Leave & Gratuity (Net)	1.96	1.99
Provision for expected credit loss	(0.37)	0.30
Provision for renewable energy obligation written back	(2.60)	-
EPCG benefit attributable to export obligation met during the year	(22.94)	(19.25)
Interest and financial charges	95.27	117.36
Foreign exchange loss / (gain)	(15.44)	39.35
Dividend income	(0.75)	(0.75)
(Profit) / loss on disposal of property, plant and equipment	0.78	0.03
Operating profit before working capital changes :	**159.57**	**235.87**
Add: Decrease / Increase in Working Capital		
Trade receivables, loans and advances	19.89	34.46
Bank Balances (except cash / cash equivalent)	(0.44)	(0.38)
Inventories	55.87	53.66
Trade and other payables	8.26	(8.09)
Cash generated from operations	**243.15**	**315.52**
Income tax payments / refunds	3.14	(2.21)
Net Cash from / (used in) Operating Activities	**246.29**	**313.31**
Cash Flow From Investing Activities :		
Payments for property, plant and equipment	(9.79)	(39.06)
Proceeds from sale of property, plant and equipment	1.78	0.09
Refund from Gujarat Industrial Development Corporation	-	69.42
Dividend income	0.75	0.75
Net Cash from / (used in) investing activities	**(7.26)**	**31.20**
Cash Flow From Financing Activities :		
Disbursement of non-current borrowings	200.00	-
Repayment of non-current borrowings	(202.26)	(209.15)
Increase/(decrease) in current borrowings	(163.27)	(36.18)
Repayment of lease liability	(0.65)	(0.53)
Interest and other finance cost paid	(80.07)	(80.13)
Dividend and dividend distribution tax paid	-	(8.75)
Net Cash used in Financing Activities	**(246.25)**	**(334.74)**
Net increase/(decrease) in Cash & Cash Equivalents	**(7.22)**	**9.77**
Cash & Cash Equivalents (Opening Balance)	19.15	9.38
Cash & Cash Equivalents (Closing Balance)	11.93	19.15

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For **AGRAWAL SUBODH & CO**
Chartered Accountants
Firm Registration Number : 319260E

Subodh Kumar Agrawal
Partner
Membership No. 054670
Place: Kolkata
Date: 1st June, 2021

Aditya V. Agarwal
Executive Chairman

Manish Goenka
Whole-time Director

Vivek Chawla
Whole-time Director & CEO

S. K. Khetan
Director (Operations) and CFO

G. Saraf
V.P. (Finance) & Company Secretary

Notes to the Financial Statements

for the year ended 31st March, 2021

1. THE COMPANY INFORMATION

Emami Paper Mills Limited (the 'Company'), is a public limited Company incorporated and domiciled in India with its registered office in Kolkata, West Bengal. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is India's one of the largest producer of Newsprint, Writing & Printing Paper and Multilayer Coated High-end Packaging Boards. The Company has plants at Balasore and Kolkata locations.

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates. All amounts have been rounded-off to the nearest crores, unless otherwise indicated.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on 1st June, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

b) Basis of Preparation

The financial statements have been prepared on accrual and going concern basis and under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values as per Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities includes useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provisions for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

d) Property, Plant and Equipment

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Property, plant and equipment are carried at cost, less accumulated depreciation and impairment. Cost of an item of property, plant and equipment is the cash price equivalent at the recognition date; if payment is deferred beyond normal credit terms, the difference between cash price equivalent and the total payment is recognized as interest over the period of credit. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets. Capital work-in-progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

Property, plant and equipment includes spare parts, stand-by equipment and servicing equipment which are expected to be used for a period more than twelve months and meets the recognition criteria of plant, property and equipment.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured

Notes to the Financial Statements

for the year ended 31st March, 2021

reliably. Repairs and maintenance costs are recognized in the statement of profit and loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

e) Intangible assets

Intangible assets are recognised, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

f) Depreciation and amortization of property, plant and equipment and intangible assets

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on pro-rata basis over the useful life of respective assets as prescribed under Schedule-II to the Companies Act, 2013.

a. On straight-line method in respect of

   i) Buildings of Paper machine-II, III, IV, ETP-II, Power Generation Unit-II & III at Balasore.

   ii) Plant & machinery of Paper Machine III, IV, ETP-II, Power Generation Unit-II & III at Balasore.

b. On written down value method in respect of other assets.

c. Leasehold land is amortised over the period of lease.

d. Software licenses are amortised over the period of license.

Freehold land is not depreciated.

Addition to an asset, is depreciated over the remaining useful life of that asset, except when such addition retains a separate identity and is capable of being used after the asset is disposed of, such additions are depreciated independently over its own useful life.

Depreciable value of fixed asset is its cost of acquisition as reduced by estimated residual value.

g) Inventories

a. Finished goods, stock-in-process, raw materials, stores, chemicals and spare parts are valued at lower of cost or net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

b. Valuation of inventory is done under weighted average cost formula.

c. Inventories do not include items of spare parts which meets the recognition criteria of plant, property and equipment and be treated as such.

Provisions are made to cover slow moving and obsolete items based on historical experience.

h) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

i) Financial Instruments

Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables:

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are initially recognized at transaction price, and subsequently measured at amortized cost by providing loss allowance at an amount equal to lifetime expected credit losses. For some trade receivables the Company may obtain

security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

The Company recognizes loss allowance on trade receivable, which does not contain a significant financing component, using "simplified approach" at an amount equal to Lifetime Expected Credit Loss (ECL) considering the risk or probability that a credit loss may occur, even if the possibility of a credit loss occurring is very low, time value of money based on reasonable and supportable information that are available.

Loss allowances on trade receivable are recognized in the Statement of Profit and Loss within other expenses.

Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

a) Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

b) Measured at fair value through other comprehensive income:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

c) Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are measured at fair value. The Company in respect of equity investments, which are not held for trading made an irrevocable election based on its judgment to present in other comprehensive income subsequent changes in the fair value (FVOCI) of such equity instrument.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Notes to the Financial Statements

for the year ended 31st March, 2021

Financial Liabilities and Equity Instruments:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. While equity instruments are issued to extinguish all or part of a financial liability, those are recognized at the fair value of the equity instrument issued.

Preference shares

Preference shares issued by the company are considered as equity when those are convertible either mandatorily or at the option of the company into pre-determined fixed number of equity shares of the company. In all other cases, preference shares are classified as debt.

Contingent settlement conditions if any attached with the preference shares that may require redemption of preference shares in cash, are evaluated according to the substance of the conditions as well as considering operation, performance and outlook of the company. Contingent settlement conditions, which have no genuine possibility of occurring or have an extremely rare chance of occurrence, does not affect classification of preference shares.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

j) Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

k) Revenue Recognition

Sales represents amounts received and receivable from the goods supplied to the customers. Sales are recognized when control of the goods has been transferred to the customer. Controls are transferred by satisfying the performance obligation of the contract. Revenue is measured at the fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government.

Income from export incentives such as duty drawback and premium on sale of import licenses are recognised on accrual basis. Incentives are recognized when there is reasonable

assurance that the Company will comply with the conditions and the incentive will be received. Incentives are recorded at fair value where applicable. Duties and taxes waivers for capital assets purchased under Export Promotion Credit Guarantee (EPCG) schemes are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

Dividend income is recognized when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on a time proportionate method using underlying interest rates.

Insurance claims are recognised when there exists no significant uncertainty with regard to the amounts to be realised and the ultimate collection thereof.

l) Government grants:

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received. Government grants received is subject to any condition to be fulfilled by the Company, recognition of grant in the statement of profit and loss is made on a systematic basis in proportion to fulfillment of such condition. Total grants received less the amounts credited to the statement of profit and loss at the balance sheet date are included in the balance sheet as deferred income.

m) Expenditure:

Expenses are accounted on accrual basis.

n) Employee Benefits:

Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans

The Company's Liabilities on account of Gratuity and Earned Leave on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per Indian Accounting Standard (Ind AS)-19 'Employee Benefits'. These liabilities are funded on year-to-year basis by contribution to respective funds. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Defined Benefit Plan can be short term or Long term which are defined below:

a. Short-term Employee Benefit

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

b. Long-term Employee Benefits

Compensated absences which are not expected to occur within 12 months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

o) Impairment of Non-Financial Assets:

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset

Notes to the Financial Statements

for the year ended 31st March, 2021

for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

p) Extinguishment of financial liabilities with equity instrument

When any financial liability is extinguished in exchange of equity instruments; the difference if any, between the carrying amount of the financial liability extinguished and the fair value of equity instrument issued or exchanged (whether explicitly or constructively) is recognized in profit and loss statement in the period in which such extinguishment takes place.

q) Income Taxes:

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to an item which is recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

r) Leases:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Emami's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

s) Foreign Currency Transactions and Translations

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the Statement of Profit and Loss at the end of each reporting period.

In accordance with Ind AS 101, the company has continued capitalization of exchange differences arising on long-term foreign currency monetary items outstanding as on 31st March, 2016 in accordance with paragraph 46A of Accounting Standard 11, "The Effect of Changes in Foreign Exchange Rates". Accordingly, exchange differences arising from such long term foreign currency monetary items relating to the acquisition of a depreciable asset are added to or deducted from the cost of the depreciable capital asset. Other exchange

differences are recognized as income or expenses in the Statement of Profit & Loss.

Monetary Assets and Liabilities in foreign currency that are outstanding at the year end are translated at the year end exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

t) Derivatives and Hedge Accounting

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Company documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

a. Fair value hedges –

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

b. Cash flow hedges –

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income. The gains / losses relating to the ineffective portion is recognised in the Statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/ losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in the Statement of Profit and Loss.

u) Segment Reporting:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

v) Earnings Per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

Notes to the Financial Statements

for the year ended 31st March, 2021

w) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

x) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are written off as borrowing costs when paid.

y) Fair value measurements

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

  Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes to the Financial Statements

for the year ended 31st March, 2021

(₹ in crores)

2.1 PROPERTY, PLANT AND EQUIPMENTS (PPE)

Particulars	Gross Block as at 01.04.2020	Addition	Disposal/ adjustment	Gross Block as at 31.03.2021	Accumulated Depreciation as at 01.04.2020	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.2021	Closing WDV as at 31.03.2021	Opening WDV as at 01.04.2020
Tangible Assets										
Free-hold land	7.28	-	-	7.28	-	-	-	-	7.28	7.28
Leasehold land	12.23	-	-	12.23	0.80	0.19	-	0.99	11.24	11.43
Factory building	173.90	-	1.87	172.03	22.74	6.05	-	28.79	143.24	151.16
Non factory building	132.53	2.41	0.62	134.32	13.44	3.91	-	17.35	116.97	119.09
Right to use in non factory building	2.08	-	0.13	1.95	0.56	0.56	0.07	1.05	0.90	1.52
Plant & Equipment	1,213.89	7.40	9.09	1,212.20	215.40	59.68	0.48	274.60	937.60	998.49
Office equipment	0.91	0.09	-	1.00	0.72	0.09	-	0.81	0.19	0.19
Computers	1.98	0.12	-	2.10	1.67	0.14	-	1.81	0.29	0.31
Furniture & Fittings	10.50	0.35	0.21	10.64	3.77	0.83	0.03	4.57	6.07	6.73
Vehicles	3.74	0.54	0.29	3.99	2.03	0.63	0.21	2.45	1.54	1.71
Total	**1,559.04**	**10.91**	**12.21**	**1,557.74**	**261.13**	**72.08**	**0.79**	**332.42**	**1,225.32**	**1,297.91**

2.2 CAPITAL WORK-IN-PROGRESS

Particulars	Gross Block as at 01.04.2020	Addition	Disposal/ adjustment	Gross Block as at 31.03.2021	Accumulated Depreciation as at 01.04.2020	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.2021	Closing WDV as at 31.03.2021	Opening WDV as at 01.04.2020
Capital Work In Progress	0.98	0.10	0.98	0.10	-	-	-	-	0.10	0.98
Total	**0.98**	**0.10**	**0.98**	**0.10**	**-**	**-**	**-**	**-**	**0.10**	**0.98**

2.3 OTHER INTANGIBLE ASSETS

Particulars	Gross Block as at 01.04.2020	Addition	Disposal/ adjustment	Gross Block as at 31.03.2021	Accumulated Depreciation as at 01.04.2020	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.2021	Closing WDV as at 31.03.2021	Opening WDV as at 01.04.2020
Computer Software	0.49	-	-	0.49	0.34	0.06	-	0.40	0.09	0.15
Total	**0.49**	**-**	**-**	**0.49**	**0.34**	**0.06**	**-**	**0.40**	**0.09**	**0.15**

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for the year ended 31st March, 2021

(₹ in crores)

2.1 PROPERTY, PLANT AND EQUIPMENTS (PPE)

Particulars	Gross Block as at 01.04.2019	Addition	Disposal/ adjustment	Gross Block as at 31.03.2020	Accumulated Depreciation as at 01.04.2019	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.2020	Closing WDV as at 31.03.2020	Opening WDV as at 01.04.2019
Tangible Assets										
Free-hold land	7.28	-	-	7.28	-	-	-	-	7.28	7.28
Leasehold land	12.23	-	-	12.23	0.60	0.20	-	0.80	11.43	11.63
Factory building	167.21	6.69	-	173.90	16.86	5.88	-	22.74	151.16	150.35
Non factory building	128.69	3.84	-	132.53	9.67	3.77	-	13.44	119.09	119.02
Right to use in non factory building	-	2.08	-	2.08	-	0.56	-	0.56	1.52	-
Plant & Equipment	1,153.45	60.44	-	1,213.89	155.58	59.82	-	215.40	998.49	997.87
Office equipment	0.90	0.03	0.02	0.91	0.60	0.13	0.01	0.72	0.19	0.30
Computers	1.79	0.20	0.01	1.98	1.49	0.19	0.01	1.67	0.31	0.30
Furniture & Fittings	10.35	0.24	0.09	10.50	2.63	1.17	0.03	3.77	6.73	7.72
Vehicles	3.83	0.02	0.11	3.74	1.35	0.75	0.07	2.03	1.71	2.48
Total	**1,485.73**	**73.54**	**0.23**	**1,559.04**	**188.78**	**72.47**	**0.12**	**261.13**	**1,297.91**	**1,296.95**

2.2 CAPITAL WORK-IN-PROGRESS

Particulars	Gross Block as at 01.04.2019	Addition	Disposal/ adjustment	Gross Block as at 31.03.2020	Accumulated Depreciation as at 01.04.2019	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.2020	Closing WDV as at 31.03.2020	Opening WDV as at 01.04.2019
Capital Work In Progress	102.90	3.97	105.89	0.98	-	-	-	-	0.98	102.90
Total	**102.90**	**3.97**	**105.89**	**0.98**	**-**	**-**	**-**	**-**	**0.98**	**102.90**

2.3 OTHER INTANGIBLE ASSETS

Particulars	Gross Block as at 01.04.2019	Addition	Disposal/ adjustment	Gross Block as at 31.03.2020	Accumulated Depreciation as at 01.04.2019	Depreciation for the year	Disposal/ adjustment	Accumulated Depreciation as at 31.03.2020	Closing WDV as at 31.03.2020	Opening WDV as at 01.04.2019
Computer Software	0.46	0.03	-	0.49	0.28	0.06	-	0.34	0.15	0.18
Total	**0.46**	**0.03**	**-**	**0.49**	**0.28**	**0.06**	**-**	**0.34**	**0.15**	**0.18**

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for the year ended 31st March, 2021

(₹ in crores)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
2.4	**NON-CURRENT INVESTMENTS**		
	Investment measured at fair value through other comprehensive income		
	Quoted equity shares fully paid up		
	Emami Ltd: Face value ₹ 1/- each	45.33	15.85
		(9,33,000 nos)	(9,33,000 nos)
	Emami Realty Ltd: Face value ₹ 2/- each	0.01	0.01
	(Earlier Emami Infrastructure Ltd)	(833 nos)	(833 nos)
	Aggregate amount and market value of quoted investment	**45.34**	**15.86**
	Unquoted equity shares fully paid up		
	Pan Emami Cosmed Ltd: Face value ₹ 10/- each	8.17	8.17
		(3,07,300 nos)	(3,07,300 nos)
	Aggregate amount of unquoted investment	**8.17**	**8.17**
	Investment carried at amortized cost		
	Investment in Government securities	-	-
	(Lodged with government authorities)	-	-
	Investment in national saving certificates	0.01	0.01
	Total	**53.52**	**24.04**
2.5	**NON-CURRENT LOANS**		
	Unsecured, considered good		
	Security deposit	2.42	3.40
	Loans and advances to employees	0.17	0.28
	Total	**2.59**	**3.68**
2.6	**NON-CURRENT DERIVATIVE ASSETS**		
	Unsecured, considered good		
	Interest rate swaps	-	1.15
	Total	**-**	**1.15**
2.7	**OTHER NON-CURRENT FINANCIAL ASSETS**		
	Unsecured, considered good		
	Fixed deposit with banks with original maturity more than 12 months	0.01	0.12
	Total	**0.01**	**0.12**

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(₹ in crores)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
2.8	**OTHER NON-CURRENT ASSETS**		
	Unsecured, considered good		
	Capital advances	2.90	1.73
	Prepaid expenses	0.25	0.16
	Indirect tax deposits under litigation	4.38	4.74
	Deposits	0.50	0.52
	Total	**8.03**	**7.15**
2.9	**INVENTORIES**		
	Raw materials and chemicals	152.20	163.90
	Work in progress	5.73	35.75
	Finished goods	14.78	32.08
	Stores and spares	46.44	42.98
	Packing materials	3.38	3.69
	Total	**222.53**	**278.40**
	Includes following inventories in transit		
	Raw materials and chemicals - in transit	34.88	25.34
	Stores and spares - in transit	-	0.03
	Total	**34.88**	**25.37**
2.10	**TRADE RECEIVABLES**		
	Unsecured, considered good		
	Due from related parties	-	-
	Due from others	201.09	209.83
		201.09	209.83
	Less: Provision for expected credit loss	0.08	0.45
	Total	**201.01**	**209.38**
2.11	**CASH AND CASH EQUIVALENTS**		
	Balance with bank on current accounts	9.41	14.21
	Fixed deposit with original maturity of less than 3 months	2.48	4.87
	Cash in hand	0.04	0.07
	Total	**11.93**	**19.15**
2.12	**BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS**		
	Unclaimed dividend account	0.08	0.08
	Fixed deposit with scheduled banks	1.71	1.26
	Total	**1.79**	**1.34**

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for the year ended 31st March, 2021

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
2.13 CURRENT LOANS		
Unsecured, considered good		
Security deposits	0.13	3.04
Loans and advances to employees	0.23	0.29
Total	**0.36**	**3.33**
2.14 CURRENT DERIVATIVE ASSETS		
Unsecured, considered good		
Interest rate swap	-	0.23
Total	**-**	**0.23**
2.15 OTHER CURRENT FINANCIAL ASSETS		
Interest receivable	0.18	0.50
Insurance claim receivable	3.75	6.43
Others	9.89	6.46
Total	**13.82**	**13.39**
2.16 OTHER CURRENT ASSETS		
Unsecured, considered good		
Indirect tax credit	12.36	28.07
Export incentive receivable	5.69	2.56
IGST/Cess refundable	1.77	5.06
Advance to suppliers	21.71	13.96
Advance to employees against expenses	0.16	0.08
Prepaid Expenses	4.38	2.49
Deposits	0.33	0.26
Income tax refundable	0.17	2.09
Others	0.28	1.36
Total	**46.85**	**55.93**

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for the year ended 31st March, 2021

(₹ in crores)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
2.17	**EQUITY SHARE CAPITAL**		
	A. Equity share capital		
	Authorised		
	Equity Shares of ₹ 2/- each	16.00	16.00
	Number of equity shares	8,00,00,000	8,00,00,000
	Issued, Subscribed & Paid up		
	Equity Shares of ₹ 2/- each fully paid up		
	At the beginning of the year		
	Number of equity shares	6,04,99,050	6,04,99,050
	Amount	12.10	12.10
	Changes during the year		
	Number of equity shares	Nil	Nil
	Amount	Nil	Nil
	At the end of the year		
	Number of equity shares	6,04,99,050	6,04,99,050
		12.10	**12.10**

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and payment of dividend to the preference shareholders.

Shareholders holding more than 5% equity shares in the company

Name of shareholders	Number	% of holding	Number	% of holding
Sneha Enclave Private Limited	1,71,03,710	28.27%	-	-
Sneha Gardens Private Limited	1,45,26,450	24.01%	-	-
Emami Limited	79,46,000	13.13%	79,46,000	13.13%
L and T Mutual Fund Trustee Limited	40,46,639	6.69%	41,04,279	6.78%
Suntrack Commerce Private Limited	-	-	76,33,900	12.62%
Bhanu Vyapaar Private Limited	-	-	60,05,250	9.93%
Diwakar Viniyog Private Limited	-	-	94,69,810	15.65%

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for the year ended 31st March, 2021

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
2.18 CONVERTIBLE PREFERENCE SHARES		
Authorised		
Preference Share of ₹ 100/- each	61.25	61.25
Number of preference shares	61,25,000	61,25,000
Issued, Subscribed & Paid up		
8% Non-Cumulative Redeemable Optionally Convertible Preference Shares of ₹ 100/- each fully paid up		
At the beginning of the year		
Number of preference shares	-	-
Face value	-	-
Fair value	-	-
Changes during the year		
Number of preference shares	61,25,000	-
Face value	61.25	-
Fair value	243.52	-
At the end of the year		
Number of preference shares	61,25,000	-
Face value	61.25	-
Fair value	**243.52**	**-**

Terms and rights attached to preference shares

The company has changed the terms attached to existing 61,25,000 Redeemable Preference Shares bearing 8% cumulative dividend (CRNPS) after obtaining approval from preference shareholders as well as that from equity shareholders through e-voting ended on 26.03.2021, so as to alter those CRNPS into equal number of Optionally Convertible Preference Shares (OCRPS), which are convertible into fixed number of equity shares at the option of the company and bears 8% non-cumulative dividend. Those preference shares were issued in three series from 28.03.2013 to 17.09.2014 and convertible or redeemable after 12 years from their respective date of issue.

Out of total above, 50,00,000 OCRPS are convertible into 3 equity shares each at the option of the company or redeemable at a premium of ₹ 500 per share; and 11,25,000 OCRPS are convertible into 3.5 equity shares each at the option of the company or redeemable at a premium of ₹ 600 per share on the expiry of 12 years from the date of issue with an option to convert or redeem it earlier to be decided mutually between the Company and the OCRPS holders at a meeting of OCRPS holders called for this purpose.

Brief changes in the terms attached to Preference Shares are given hereunder: -

i) Convertible into equity shares at the option of the company; conversion ratio is as below: -

Conversion year	No. of shares	Conversion ratio	Redemption value per share (₹)
2026-27	11,25,000	3.5 : 1	700
2026-27	7,50,000	3 : 1	600
2025-26	22,50,000	3 : 1	600
2024-25	20,00,000	3 : 1	600

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The option available with the company to convert OCRPS into equity shares at the ratio given above is not exercisable on happening of knock-out-event, that is, if average market price of the equity shares during 26 weeks immediately preceding the redemption / conversion is less than ₹180/share. On happening of the knock-out-event, which has an extremely rare chance, the company has to redeem those Preference Shares at predetermined redemption value.

ii) Dividend rights attached to the preference shares are changed from cumulative to non-cumulative.

iii) All other terms and conditions as were applicable to NCRPS would apply to OCRPS.

The preference shares with revised terms (OCRPS) are classified as equity measuring at its fair value and the debt that was carried at amortized cost towards CRNPS is extinguished. Difference between carrying value of CRNPS and fair value of OCRPS amounting to ₹72.46 crores is recognized in profit and loss statement under exceptional item.

The Company declares and pay dividends in Indian rupees on pro-rata basis from the date of allotment. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Holders of OCRPS have voting rights on matters pertaining to OCRPS.

In the event of liquidation of the Company before conversion or redemption of OCRPS, the holders of OCRPS will have priority over equity shares in the repayment of capital.

Shareholders holding more than 5% preference shares in the company

Name of shareholders	As at 31.03.2021		As at 31.03.2020	
	Number	% of holding	Number	% of holding
Sneha Enclave Private Limited	26,06,100	42.55%	NOT APPLICABLE	
Sneha Gardens Private Limited	26,06,100	42.55%	NOT APPLICABLE	

(₹ in crores)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
2.19	**NON-CURRENT BORROWINGS**		
	Secured loans		
	Term loans from banks	608.89	626.45
	Unsecured loans		
	8% Cumulative Redeemable Non-Convertible Preference Shares	-	309.60
		608.89	**936.05**
	Less: Current maturities of non-current borrowings	203.77	155.72
	Total	**405.12**	**780.33**

Nature of Security

Non-current borrowings are secured by deposit of title deeds in respect of present and future immovable properties and hypothecation of present and future movable plant and equipment on a pari-passu basis and second charge on current assets on pari-passu basis.

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for the year ended 31st March, 2021

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
2.19 NON-CURRENT BORROWINGS *(Contd.)*		
Terms of repayment of non-current borrowings		
Allahabad Bank		
RTL repayable in quarterly installments from Sep'2019 to Dec'2021	10.92	22.53
Exim Bank		
ECB repayable in quarterly installments from Apr'2017 to Jul'2024	47.48	60.47
IDBI Bank		
ECB repayable in quarterly installments from Mar'2017 to Dec'2022	27.68	49.10
Axis Bank		
ECB repayable in quarterly installments from Feb'2017 to Apr'2022	47.73	64.77
ECB repayable in quarterly installments from Apr'2018 to Jul'2023	51.06	58.81
FCNR(B) repayable in quarterly installments from Jun'2017 to Mar'2021	-	40.54
State Bank of India		
FCNR(B) repayable in quarterly installments from Jun'2015 to Sep'2020	-	7.49
FCNR(B) repayable in quarterly installments from Jun'2016 to Jun'2022	9.01	21.83
FCNR(B) repayable in quarterly installments from Mar'2018 to Jun'2022	18.03	28.02
YES Bank		
FCNR(B) repayable in quarterly installments from Nov'2018 to Sep'2020	-	25.76
DCB Bank		
FCNR(B) repayable in quarterly installments from Apr'2019 to Jul'2025	37.68	42.88
IDFC Bank		
FCNR(B) repayable in quarterly installments from Mar'2019 to Mar'2024	34.91	44.34
RBL Bank		
FCNR(B) repayable in quarterly installments from Jan'2017 to Sep'2022	22.17	34.35
ICICI Bank		
FCNR(B) repayable in quarterly installments from Jun'2019 to Sep'2024	55.59	69.81
RTL Repayable in quarterly instalments from Sep'2015 to Sep'2020	-	2.00
RTL repayable in quarterly installments from Jun'2022 to Mar'2026	75.02	-
FITL repayable in quarterly installments from Dec'2020 to Sep'2024	1.19	-
Indusind Bank		
FCNR(B) repayable in quarterly installments from Jun'2019 to Jun'2023	46.89	53.75
RTL repayable in monthly installments from May'2021 to Aug'2025	73.77	-
SBM Ltd.		
RTL repayable in quarterly installments from Dec'2021 to Dec'2024	49.76	-

2.20 NON-CURRENT DERIVATIVE LIABILITY		
Interest rate swap	6.62	6.45
Total	**6.62**	**6.45**

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for the year ended 31st March, 2021

(₹ in crores)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
2.21	**OTHER NON-CURRENT FINANCIAL LIABILITIES**		
	Retention money	1.31	0.07
	Trade deposits	5.68	5.92
	Lease liability	0.25	0.94
	Other payables	0.95	1.36
	Total	**8.19**	**8.29**
2.22	**NON-CURRENT PROVISIONS**		
	Gratuity	13.47	12.27
	Earned leave	1.22	1.16
	Provision for renewable energy purchase obligation	-	2.60
	Total	**14.69**	**16.03**
2.23	**DEFERRED TAX LIABILITIES (NET)**		
	Deferred tax liabilities		
	Difference in tax base of property, plant and equipment	115.51	152.60
	Fair valuation of investment	4.46	1.98
	Deferred tax assets		
	Unabsorbed tax depreciation	(39.34)	(78.84)
	Deferred allowances under Income Tax Act	(4.63)	(5.57)
		76.00	**70.17**
	MAT Credit entitlement	-	(49.16)
	Net deferred tax liabilities	**76.00**	**21.01**
2.24	**DEFERRED REVENUE**		
	Import duty savings (EPCG) attributable to pending export obligation	0.08	22.79
	Total	**0.08**	**22.79**

i) Grants relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations.

ii) An amount of ₹ 22.94 crore (₹19.25 crore) released to statement of profit and loss on fulfillment of export obligations.

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for the year ended 31st March, 2021

(₹ in crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
2.25 CURRENT BORROWINGS		
Secured		
Loan repayable on demand from banks	94.87	242.70
Buyer's/suppliers' credit facilities from banks	62.94	71.67
Unsecured		
Unsecured demand loan from banks	11.82	21.18
Unsecured Buyer's/Suppliers' credit facilities from banks	8.77	8.77
Unsecured inter-corporate deposits	120.50	120.50
Total	**298.90**	**464.82**

Nature of security

Short term borrowings are secured by hypothecation of present and future stock of materials, stock-in-progress, finished goods, stores and spares, book debts, outstanding money, claims receivable and further secured by way of second charge on all immovable and movable properties / fixed assets both present and future on a pari-passu basis.

2.26 TRADE PAYABLES FOR GOODS		
Payable to micro enterprises and small enterprises	3.71	9.72
Payable to related parties	-	-
Payable to others	150.30	144.83
Total	**154.01**	**154.55**

2.27 TRADE PAYABLES FOR SERVICES		
Payable to micro enterprises and small enterprises	3.39	3.48
Payable to related parties	-	-
Payable to others	24.75	32.05
Total	**28.14**	**35.53**

2.28 CURRENT DERIVATIVE LIABILITY		
Interest rate swap	2.80	1.51
Currency swap	-	0.67
Total	**2.80**	**2.18**

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(₹ in crores)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
2.29	**OTHER CURRENT FINANCIAL LIABILITIES**		
	Current maturities of non current borrowings	203.77	155.72
	Interest accrued but not due	3.22	7.43
	Accrued employee benefits	0.97	1.39
	Unclaimed dividend	0.08	0.08
	Lease liability	0.67	0.65
	Preference dividend payable	9.73	-
	Outstanding liabilities for expenses	26.22	11.47
	Total	**244.66**	**176.74**

2.30	**OTHER CURRENT LIABILITIES**		
	Advance from customers	3.74	5.36
	Statutory dues	5.82	4.82
	Total	**9.56**	**10.18**

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for the year ended 31st March, 2021

(₹ in crores)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
2.31 REVENUE FROM OPERATION		
Sale of paper and paperboard	1,181.25	1,484.02
Other operating revenues		
Scrap sales	2.28	3.67
Export incentives	8.78	6.97
EPCG benefit attributable to export obligation satisfied	22.94	19.25
Others	1.02	1.41
Total	**1,216.27**	**1,515.32**
2.32 OTHER INCOME		
Dividend income	0.75	0.75
Insurance claim	2.42	0.79
Foreign exchange fluctuation	16.11	-
Others	1.03	2.28
Total	**20.31**	**3.82**
2.33 COST OF MATERIAL CONSUMED		
Pulp and waste paper	594.79	728.92
Chemicals	110.53	129.63
Packing materials	20.93	24.52
Total	**726.25**	**883.07**
2.34 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Inventories at the beginning of the year		
Finished goods	32.08	65.58
Work-in-progress	35.75	58.38
Total (A)	**67.83**	**123.96**
Inventories at the end of the year		
Finished goods	14.78	32.08
Work-in-progress	5.73	35.75
Total (B)	**20.51**	**67.83**
(Increase) / Decrease [A - B]	**47.32**	**56.13**
2.35 POWER AND FUEL		
Consumption of coal	89.31	107.22
Grid power	4.68	22.89
RPO liability rolled back	(2.60)	-
Total	**91.39**	**130.11**

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for the year ended 31st March, 2021

(₹ in crores)

	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
2.36	**EMPLOYEE BENEFIT EXPENSES**		
	Salaries and wages	55.90	60.20
	Contribution to provident and other funds	3.83	4.38
	Staff welfare expenses	4.13	5.60
	Total	**63.86**	**70.18**
2.37	**FINANCE COSTS**		
	Interest expenses on borrowings	72.70	85.21
	Effective interest on redeemable, non-convertible preference shares	16.11	16.79
	Other interest expenses	0.76	0.97
	Bank charges and other borrowing costs	4.57	3.82
	Exchange difference regarded as adjustment to borrowing cost	1.70	17.71
	Less: Interest earned	(0.57)	(7.14)
	Total	**95.27**	**117.36**
2.38	**OTHER EXPENSES**		
	Consumption of stores and spares	19.66	26.25
	Rent	0.64	0.74
	Repairs to buildings	0.28	0.71
	Repairs to plant and machinery	3.36	6.80
	Repair and maintenance (others)	1.90	2.50
	Insurance	3.03	2.85
	Manufacturing expenses	22.59	27.95
	Freight outward (net)	18.27	16.98
	Selling expenses	18.73	19.56
	Donation	0.64	0.70
	Directors' sitting fee	0.17	0.14
	Rates and taxes	13.95	13.96
	Foreign exchange fluctuation	-	35.55
	Loss on disposal of property, plant and equipment	0.78	0.03
	CSR expenditures	0.48	1.50
	Miscellaneous expenses	5.71	11.06
	Total	**110.19**	**167.28**
2.39	**CURRENT TAX**		
	Current income tax for the previous year(s)	(0.01)	0.27
	Total	**(0.01)**	**0.27**

Notes to the Financial Statements

for the year ended 31st March, 2021

(₹ in crores)

	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
2.40	**DEFERRED TAX**		
	Deferred tax for the year	4.67	5.66
	Writing back of opening deferred tax liability	(2.26)	-
	Total	**2.41**	**5.66**
	Reconciliation of estimated income tax to income tax expense is as below:		
	Profit/(loss)before tax	**102.62**	**(4.52)**
	Enacted tax rate	25.168%	34.944%
	Expected income tax expense at statutory income tax rate	25.83	(1.58)
	a) Exempt income / gains not chargeable to tax	(24.18)	(8.33)
	b) Non-deductible expenses	3.02	15.57
	c) Effect of adopting Sec 115BAA on opening deferred tax	(2.26)	-
	d) Earlier years' tax	(0.01)	0.27
	Tax expenses reported	**2.40**	**5.93**
	Current tax net of MAT credit	(0.01)	0.27
	Deferred tax	2.41	5.66
	Total tax expenses as per profit and loss statement	**2.40**	**5.93**

2.41 EMPLOYEE BENEFITS

The Company's obligation towards the gratuity fund and leave encashment fund are Defined Benefit Plans. The details of actuarial valuation are given below -

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Particulars	2020-21		2019-20	
		Gratuity Funded	Leave Encashment Funded	Gratuity Funded	Leave Encashment Funded
I.	**Change in present value of obligation during the year**				
	Present value of obligation at the beginning of the year	18.04	4.12	14.17	3.81
	Included in profit and loss:				
	- Current Service Cost	1.39	0.54	1.41	0.57
	- Interest Cost	1.15	0.27	1.05	0.28
	- Past Service Cost	-	-	-	-
	- Actuarial Gain/(Loss)	-	(0.55)	-	(0.29)
	Included in OCI:				
	Actuarial losses/(gains) arising from:				
	- Experience adjustments	(0.94)		2.95	-
	- Financial assumption	0.26		(0.45)	-

Notes to the Financial Statements

for the year ended 31st March, 2021

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Particulars	2020-21		2019-20	
		Gratuity Funded	Leave Encashment Funded	Gratuity Funded	Leave Encashment Funded
	Others				
	Benefits Paid	(1.75)	(0.23)	(1.09)	(0.25)
	Present Value of obligation as at year end	**18.15**	**4.15**	**18.04**	**4.12**
	Current Liabilities	2.73	1.29	2.87	1.25
	Non-Current Liabilities	15.42	2.86	15.17	2.87
	Total Liability	**18.15**	**4.15**	**18.04**	**4.12**
II.	**Change in Fair Value of Plan Assets during the year**				
	Plan assets at the beginning of the year	5.77	2.96	6.07	3.00
	Included in profit and loss:				
	Interest Income	0.34	0.19	0.44	0.22
	Expected return on plan assets	-	0.01	-	(0.01)
	Included in OCI:				
	- Actuarial Gain/(Loss)on plan assets	0.02	-	(0.02)	-
	Others:				
	Employer's contribution	0.30	0.00	0.37	-
	Benefits Paid	(1.75)	(0.23)	(1.09)	(0.25)
	Plan assets at the end of the year	**4.68**	**2.93**	**5.77**	**2.96**
	Weighted Average Asset Allocations at the year end				
	Equities	-	-	-	-
	Bonds	-	-	-	-
	Gilts	-	-	-	-
	Insurance Policies	100%	100%	100%	100%
	Total	**100%**	**100%**	**100%**	**100%**
III.	**Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets**				
	1. Present Value of obligation as at year-end	18.15	4.15	18.04	4.12
	2. Fair Value of plan assets at year end	4.68	2.93	5.77	2.96
	3. Funded status [Surplus/(Deficit)]	(13.47)	(1.22)	(12.27)	(1.16)
	Net Asset/(Liability)	**(13.47)**	**(1.22)**	**(12.27)**	**(1.16)**
IV.	**Expenses recognised in the Statement of Profit and Loss**				
	Current Service Cost	1.39	0.54	1.41	0.57
	Interest Cost	1.15	0.27	1.05	0.28
	Past Service Cost	-	-	-	-
	Actuarial Gain/(Loss)	-	(0.55)	-	(0.29)
	Expected return on plan assets	(0.34)	(0.20)	(0.44)	(0.21)
	Total Expense	**2.20**	**0.06**	**2.02**	**0.35**

Notes to the Financial Statements

for the year ended 31st March, 2021

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Particulars	2020-21		2019-20	
		Gratuity Funded	Leave Encashment Funded	Gratuity Funded	Leave Encashment Funded
V.	**Expenses recognised in the Statement of Other Comprehensive Income**				
	Net Actuarial (Gain)/Loss	(0.68)	-	2.50	-
	Expected return on plan assets excluding interest income	(0.02)	-	0.02	-
	Total Expense	**(0.70)**	**-**	**2.52**	**-**
VI.	**Actuarial Assumptions**				
	Discount Rate	6.50%	6.50%	6.70%	6.70%
	Salary Escalation - First Year	6.00%	6.00%	0.00%	0.00%
	Salary Escalation - After First Year	6.00%	6.00%	6.00%	6.00%
	Expected Rate of Return on Plan Assets	7.00%	7.00%	6.50%	6.50%
	Mortality Table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

VII. The best estimate contribution for the next year would be ₹ 1.39 Crores for Gratuity and ₹ 0.58 Crores for Leave Encashment.

Sl. No.	Particulars	Year ended 31.03.21		Year ended 31.03.20	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
VIII.	**Experience Adjustments**				
	(Gain) / Loss on Plan Liabilities	(0.94)	-	2.95	-
	% of Opening Plan Liabilities	-5.21%	0.00%	20.82%	0.00%
	Gain / (Loss) on Plan Assets	0.02	-	(0.02)	-
	% of Opening Plan Assets	0.35%	0.00%	-0.33%	0.00%

Sl. No.	Particulars	Year ended 31.03.21		Year ended 31.03.20	
		Increase	Decrease	Increase	Decrease
IX.	**Sensitivity Analysis**				
	Gratuity				
	Discount rate (1% movement)	(1.22)	1.41	(1.33)	1.54
	Future salary growth (1% movement)	1.38	(1.07)	1.31	(0.90)
	Withdrawal Rates (1% movement)	0.07	(0.11)	0.08	(0.08)
	Leave Encashment				
	Discount rate (1% movement)	(0.23)	0.26	(0.23)	0.26
	Future salary growth (1% movement)	0.27	(0.21)	0.27	(0.18)
	Withdrawal Rates (1% movement)	0.01	(0.01)	0.01	(0.01)

Notes to the Financial Statements

for the year ended 31st March, 2021

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Particulars	Year ended 31.03.21		Year ended 31.03.20	
		Gratuity Funded	Leave Encashment Funded	Gratuity Funded	Leave Encashment Funded
X.	**Maturity Profile of Defined Benefit Obligations**				
	1st Following Year	2.73	1.29	2.87	1.25
	2nd Following Year	1.71	0.29	1.98	0.36
	3rd Following Year	1.70	0.43	1.71	0.31
	4th Following Year	1.97	0.40	1.76	0.49
	5th Following Year	1.68	0.35	2.06	0.39
	6th Following Year	2.02	0.34	1.76	0.35
	7th Following Year	2.23	0.48	2.18	0.32
	8th Following Year	1.87	0.33	2.27	0.45
	9th Following Year	2.47	0.42	2.24	0.31
	10th Following Year	2.18	0.41	2.52	0.39

2.42 CONTINGENT LIABILITIES AND COMMITMENTS

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
A.	**CONTINGENT LIABILITIES**		
	Claims against the Company not acknowledged as debts		
	(Net of Advances) :		
	Sales tax matters	0.19	0.37
	Entry tax matters	3.05	2.96
	Excise duty, Service tax, GST and Custom duty matters	1.17	1.17
	Renewable Energy Purchase Obligation (RPO)*	-	3.91
	Withdrawal of incentive tariff of electricity by NESCO	-	0.42
	Total	**4.41**	**8.83**
	*Pursuant to recent orders of OERC and APTEL, the company, being co-generation based captive power generator does not have any obligation to purchase renewable energy from solar and non-solar sources.		
B.	Contingent liabilities disclosed above represent possible obligations that has arisen from past events and where the likelihood of an outflow of resources depends upon occurance or non-occurance of uncertain future event(s). In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations and financial conditions.		
	Outstanding guarantees and letter of credit furnished by the bankers on behalf of the Company.	95.18	41.39
C.	**COMMITMENTS**		
	Capital commitments		
	Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	13.70	2.08
	Total	**13.70**	**2.08**

Notes to the Financial Statements

for the year ended 31st March, 2021

2.43 RELATED PARTY DISCLOSURES

Related Parties with whom transactions have taken place during the year

a. Key Management Personnel

Shri Aditya V. Agarwal, Executive Chairman
Shri Manish Goenka, Whole Time Director (w.e.f. 01.08.2020)
Shri P. S. Patwari, Executive Director & CEO
Shri Vivek Chawla, Whole Time Director (w.e.f. 02.12.2020)
Shri S.K. Khetan, Director (Operations) & CFO
Shri G.Saraf, VP (Finance) & Company Secretary

Other Directors

Shri J. N. Godbole, Independent Director
Shri S. Balasubramanian, Independent Director
Shri H.M. Marda, Independent Director
Shri J.K. Khetawat, Independent Director
Smt Richa Agarwal, Non Executive Director
Shri Shymalendu Chatterjee, Independent Director
Smt Mamta Binani, Independent Director (w.e.f. 13.08.2020)

b. Relatives of Key Management Personnel

Shri R.S. Agarwal
Smt. Usha Agarwal
Shri Harsh Vardhan Agarwal
Smt. Preeti Sureka
Shri Shyam Patwari
Shri Sunit Khetawat
Smt Preeti Khetawat

c. Enterprise where Key Management Personnel and their relatives are able to exercise significant influence

Emami Limited
Emami Cement Limited (upto 20.07.2020)
Emami Capital Market Limited
Sneha Enclave Private Limited
Pan Emami Cosmed Ltd (Emami Paper Mills Limited is an associate company)
Premio Packaging Papers Pvt. Ltd.
Emami Art (Dev Infracity Pvt. Ltd)
Emami Agrotech Limited

Notes to the Financial Statements

for the year ended 31st March, 2021

Disclosure of transactions between the Company and related parties

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Enterprise described in (c) above		Total	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Remuneration to Key Management Personnel*								
- Short Term Employment benefits	7.41	5.93	-	-	-	-	7.41	5.93
Sitting Fees Paid to Independent Director	0.18	0.14	-	-	-	-	0.18	0.14
Purchases of Goods & Services (Emami Cement Ltd)	-	-	-	-	0.04	0.21	0.04	0.21
Reimbursement for Expenses (Emami Cement Ltd.)	-	-	-	-	-	0.03	-	0.03
Rent Maintenance & Other Charges Payable (Emami Limited)	-	-	-	-	0.23	0.24	0.23	0.24
Sale of Painting and Other Charges (Emami Art- Unit of Dev Infracity Pvt. Ltd.)	-	-	-	-	0.01	0.01	0.01	0.01
Salary Paid (Mr. Shyam Patwari)	-	-	0.56	0.51	-	-	0.56	0.51
Reimbursement for SAP maintenance (Emami Limited)	-	-	-	-	0.41	0.46	0.41	0.46
Interest received	-	-	-	-	-	6.24	-	6.24
Interest Paid	-	-	-	-	5.38	1.25	5.38	1.25
Dividend Paid (Emami Limited)	-		-	-	-	0.95	-	0.95
Dividend Received (Emami Limited)	-	-	-	-	0.75	0.75	0.75	0.75
Rent Received (Emami Limited)	-	-	-	-	0.16	0.16	0.16	0.16
Sale proceeds Received (Emami Limited)	-	-	-	-	-	0.01	-	0.01
Balance as on 31st March								
- Investment - Emami Ltd	-	-	-	-	0.55	0.55	0.55	0.55
- Security Deposit Given - Emami Ltd	-	-	-	-	0.03	0.03	0.03	0.03
- Creditors	-	-	-	-	-	0.50	-	0.50
Inter Corporate Deposit Payable**	-	-	-	-	120.50	120.50	120.50	120.50
ICD Interest Payable	-	-	-	-	-	0.69	-	0.69

* Post employment benefits are actuarially determined on overall basis and hence not separately provided.

** Inter Corporate Deposit is unsecured in nature and is repayable on demand.

2.44 The Board of Directors of the company in its meeting held on 20.11.2020 have appointed a Whole-time Director of the company w.e.f. 02.12.2020 based on recommendation of Nomination and Remuneration Committee. A formal agreement setting out the terms pursuant to approval of the Board of Directors, was duly executed. Approval of the shareholders as contemplated in Section 196, 197 and other provisions of the Companies Act, 2013 to be obtained in the ensuing Annual General Meeting.

Notes to the Financial Statements

for the year ended 31st March, 2021

2.45 DISCLOSURES ON FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2(i) to the financial statements.

CAPITAL MANAGEMENT

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings and issue of non-convertible debt securities.

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2021 and 31st March, 2020.

As at 31st March, 2021 (All amounts in ₹ Crores, unless otherwise stated)

Particulars	Amortised cost	Fair Value through other comprehensive income	Derivative instruments designated as hedging	Derivative instruments not designated as hedging	Fair Value through statement of profit and loss	Total carrying value	Total fair value
Financial assets:							
Cash and bank balances	13.72	-	-	-	-	13.72	13.72
Trade receivables	201.01	-	-	-	-	201.01	201.01
Investments	0.01	53.51	-	-	-	53.52	53.52
Derivatives	-	-	-	-	-	-	-
Loans	2.95	-	-	-	-	2.95	2.95
Other financial assets	13.83	-	-	-	-	13.83	13.83
	231.52	**53.51**	**-**	**-**	**-**	**285.03**	**285.03**
Financial liabilities:							
Trade and other payables	182.15	-	-	-	-	182.15	182.15
Borrowings	907.79	-	-	-	-	907.79	907.79
Derivatives	-	-	7.03	2.39	-	9.42	9.42
Other financial liabilities	49.08	-	-	-	-	49.08	49.08
	1,139.02	**-**	**7.03**	**2.39**	**-**	**1,148.44**	**1,148.44**

Notes to the Financial Statements

for the year ended 31st March, 2021

As at 31st March, 2020 (All amounts in ₹ Crores, unless otherwise stated)

Particulars	Amortised cost	Fair Value through other comprehensive income	Derivative instruments designated as hedging	Derivative instruments not designated as hedging	Fair Value through statement of profit and loss	Total carrying value	Total fair value
Financial assets:							
Cash and bank balances	20.49	-	-	-	-	20.49	20.49
Trade receivables	209.38	-	-	-	-	209.38	209.38
Investments	0.01	24.03	-	-	-	24.04	24.04
Derivatives	-	-	0.28	1.10	-	1.38	1.38
Loans	7.01	-	-	-	-	7.01	7.01
Other financial assets	13.51	-	-	-	-	13.51	13.51
	250.40	**24.03**	**0.28**	**1.10**	**-**	**275.81**	**275.81**
Financial liabilities:							
Trade and other payables	190.08	-	-	-	-	190.08	190.08
Borrowings	1,400.87	-	-	-	-	1,400.87	1,400.87
Derivatives	-	-	6.51	2.12	-	8.63	8.63
Other financial liabilities	29.31	-	-	-	-	29.31	29.31
	1,620.26	**-**	**6.51**	**2.12**	**-**	**1,628.89**	**1,628.89**

(b)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Net gain/(loss) on financial assets and liabilities measured at fair value through profit and loss	(1.36)	(1.82)

2.46 FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risk and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has established a Risk Management system, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

A. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2021 and 31st March, 2020. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

Notes to the Financial Statements

for the year ended 31st March, 2021

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ in crores)

Particulars	Carrying amount	Undiscounted Amount		
		Payable within 1 year	More than 1 year	Total
As at 31st March, 2021				
Non-derivative liabilities				
Trade payables	182.15	182.15	-	182.15
Borrowings	680.60	275.48	405.12	680.60
Borrowings - Repayable on demand	227.19	227.19	-	227.19
Security deposits	5.68	-	5.68	5.68
Others	43.40	40.89	2.51	43.40
Derivative liabilities				
Swaps	9.42	2.80	6.62	9.42

Particulars	Carrying amount	Undiscounted Amount		
		Payable within 1 year	More than 1 year	Total
As at 31st March, 2020				
Non-derivative liabilities				
Trade payables	190.08	190.08	-	190.08
Borrowings	1,016.49	236.16	780.33	1,016.49
Borrowings - Repayable on demand	384.38	384.38	-	384.38
Security deposits	5.92	-	5.92	5.92
Others	23.39	21.02	2.37	23.39
Derivative liabilities				
Swaps	8.63	2.18	6.45	8.63

Notes to the Financial Statements

for the year ended 31st March, 2021

B. MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk
- price risk; and
- interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors.

(i) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

a) Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates. The risks primarily relate to fluctuations in U.S. dollar, Euro and GBP against the functional currencies of the Company.

The Company, as per its Risk Management Policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. Any weakening of the functional currency may impact the Company's imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in accordance with its risk management policies.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%.

The following table sets forth information relating to foreign currency exposure as at March 31, 2021:

(₹ in crores)

Particulars	U.S. dollar	Euro	GBP	Total
a) Financial assets	70.49	2.35	-	72.84
b) Financial liabilities	653.56	8.78	-	662.34

1% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately ₹ 0.73 crores and ₹ 6.62 crores for financial assets and financial liabilities respectively for the year ended March 31, 2021.

Notes to the Financial Statements

for the year ended 31st March, 2021

(₹ in crores)

The following table sets forth information relating to foreign currency exposure as at March 31, 2020:

Particulars	U.S. dollar	Euro	GBP	Total
a) Financial assets	14.47	0.69	0.03	15.19
b) Financial liabilities	854.20	9.08	-	863.28

1% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net profit/(loss) before tax by approximately ₹ 0.15 crores and ₹ 8.63 crores for financial assets and financial liabilities respectively for the year ended March 31, 2020.

b) Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

Interest Rate Risk Exposure

Particulars	As at 31.03.2021		As at 31.03.2020	
	(₹ in Crores)	% of Total	(₹ in Crores)	% of Total
Fixed Rate Borrowings	644.86	71%	510.62	47%
Variable Rate Borrowings	262.93	29%	580.65	53%
Total Borrowings	**907.79**	**100%**	**1,091.27**	**100%**

Sensitivity on variable rate borrowings

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Interest rate increase by 0.25%	(0.66)	(1.45)	(0.66)	(1.45)
Interest rate decrease by 0.25%	0.66	1.45	0.66	1.45

c) Equity Price risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income.

The fair value of Company's investment in quoted equity securities as at March 31, 2021 and March 31, 2020 was ₹45.34 crores, and ₹15.86 crores, respectively. A 10% change in equity price as at March 31, 2021 and March 31, 2020 would result in an impact of ₹4.53 crores and ₹1.59 crores, respectively.

(Note: The impact is indicated on equity before consequential tax impact, if any).

Notes to the Financial Statements

for the year ended 31st March, 2021

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in treasury bills, government securities, money market liquid mutual funds and derivative instrument with financial institutions. The Company has set counter-parties limits based on multiple factors including financial position, credit rating, etc.

The Company's maximum exposure to credit risk as at 31st March, 2021 and 31st March, 2020 is the carrying value of each class of financial assets.

2.47 CARRYING VALUE AND FAIR VALUE OF FINANCIAL INSTRUMENTS IS AS FOLLOWS

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Total Carrying Value		Total Fair Value	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Financial Assets :				
Investments in equity instruments	53.51	24.03	53.51	24.03
Loans	2.95	7.01	2.95	7.01
Trade Receivables	201.01	209.38	201.01	209.38
Cash and Cash Equivalents	11.93	19.15	11.93	19.15
Other Financial Assets	15.63	16.24	15.63	16.24
Total	**285.03**	**275.81**	**285.03**	**275.81**
Financial Liabilities :				
Borrowings	907.79	1,400.87	907.79	1,400.87
Trade & Other Payables	182.15	190.08	182.15	190.08
Other Financial Liabilities	58.50	37.94	58.50	37.94
Total	**1,148.44**	**1,628.89**	**1,148.44**	**1,628.89**

2.48 FAIR VALUE HIERACHY

Level 1 - Quoted Prices (Unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Notes to the Financial Statements

for the year ended 31st March, 2021

The following tables presents fair value hierachy of assets and liabilities measured at fair value on a recurring basis -

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at 31.03.2021	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets :				
Investments in equity instruments	53.51	45.34	-	8.17
Derivative financial instruments	-	-	-	-
Liabilities :				
Derivative financial instruments	9.42	-	9.42	-

Particulars	As at 31.03.2020	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets :				
Investments in equity instruments	24.03	15.86	-	8.17
Derivative financial instruments	1.38	-	1.38	-
Liabilities :				
Derivative financial instruments	8.63	-	8.63	-

2.49 Expenditure incurred on Corporate Social Responsibility activities during the year is ₹0.48 Crores (₹1.50 Crores) -

i) Construction/acquisition of any assets - NIL

ii) On purposes other than (i) above - ₹ 0.48 Crores

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended 31st March, 2021 is ₹ 0.32 Crores (₹ 0.56 Crores) i.e. 2% of average net profits for last three financials years, calculated as per section 198 of the Companies Act, 2013.

2.50 DISCLOSURES REQUIRED UNDER THE MICRO SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT.

Delayed payment made during the year on account of principal - Nil (Previous Year Nil) and delayed payment due as at the end of the year on account of principal - Nil (Previous Year Nil); hence, no interest is paid / payable under MSMED Act, 2006.

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for the year ended 31st March, 2021

2.51 EARNINGS PER SHARE (EPS)

BASIC EARNINGS PER SHARE (EPS)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Net Profits after tax (₹ in crore)	51.06	(10.45)
Less: Preference Dividend (27.03.2021 to 31.03.2021) (₹ in crore)	0.07	0.00
Net Profit/ (Loss) after Tax available to Equity Shareholders (₹ in crore)	50.99	(10.45)
Number of equity shares (Nos. in crore)	6.05	6.05
Basic earnings per share (in ₹)	8.43	(1.73)
Nominal Value per share (₹)	2.00	2.00

DILUTED EARNINGS PER SHARE (EPS)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Net Profit/ (Loss) after Tax available to Equity Shareholders (₹ in crore)	50.99	(10.45)
Add: Preference Dividend (27.03.2021 to 31.03.2021) (₹ in crore)	0.07	0.00
Net Profit/ (Loss) after Tax available to Equity Shareholders and Potential Equity Shares (₹ in crore)	51.06	(10.45)
Weighted Average number of Equity Shares and Potential Equity Shares (nos. in crore)	6.08	6.05
Basic earnings per share (in ₹)	8.40	(1.73)
Nominal Value per share (₹)	2.00	2.00

2.52 PAYMENT TO AUDITORS

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
As auditors		
Audit fee	0.12	0.12
Tax audit fees	0.02	0.02
In other capacity		
For certification & Consultancy		
To statutory auditors	0.04	0.04
Out of pocket expenses	0.00	0.01
Total	**0.18**	**0.19**

2.53 LEASE LIABILITIES

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Current	0.67	0.65
Non-Current	0.25	0.94
Total	**0.92**	**1.59**

Notes to the Financial Statements

for the year ended 31st March, 2021

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied to its Lease contracts existing on April 1, 2019, using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

2.54 Inter-corporate deposits accepted by the company are from related parties and are unsecured in nature.

2.55 The Company's business activity falls within a single primary business segment which is "Manufacture of Paper and Paper Board" and the Company primarily operates in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

2.56 The company, w.e.f. Assessment Year 2020-21, has opted for concessional corporate tax rate prescribed under Section 115BAA of Income Tax Act, 1961. Hence, effective income tax rate is reduced from 34.944% to 25.168% with consequential reduction in tax expenses. Further, the company has written off accumulated MAT credit amounting to ₹49.16 crores and re-measured its deferred tax assets and liabilities at applicable reduced tax rate in current financial year. Deferred tax arising or reversing from change in carrying amount of deferred tax assets and liabilities as a result of adopting Section 115BAA is recognised in profit or loss, except to the extent that it relates to items previously recognised outside profit or loss.

2.57 COVID-19 disruptions were impacted financial performance of the Company for the first half of FY 2020-21; the Company had experienced reduction in demand in writing & printing paper and newsprint and compelled to scale down its operation. However, its adverse impact is not much on performance of the Company during 2nd half of the financial year as the economy and demand are gradually recovering through "new normal" from the disruption and challenges put forth by COVID-19 pandemic; the management has also taken steps to scale up its operation. The Company has started achieving 100% capacity utilization in Q4 for its Balasore unit. The unit at Kolkata, West Bengal (having 5% of total production capacity) is under temporary shut since 24.03.2020 due to inadequate demand as a result of pandemic.

The management has assessed company's financial position and overall economic environment and impact of 2nd wave of COVID-19 thereon, based on which the company expects gradual improvement in demand of its finished product and does not anticipate any challenge in its ability to continue as a going concern including recoverability of the carrying value of its property, plant and equipment and intangible assets. The Company has assessed the impact of COVID-19 pandemic on its business operations based on relevant internal and external information and will continue to do so for taking appropriate action as and when required.

2.58 Current year's operation of the company is impacted due to COVID-19 pandemic and lockdown; the figures of current year are not comparable with those of previous year. Corresponding figures of the previous period have been regrouped/ rearranged wherever necessary.

The accompanying notes are an integral part of these financial statements

In terms of our attached report of even date

For **AGRAWAL SUBODH & CO**
Chartered Accountants
Firm Registration Number : 319260E

Subodh Kumar Agrawal
Partner
Membership No. 054670
Place: Kolkata
Date: 1st June, 2021

Aditya V. Agarwal
Executive Chairman

Manish Goenka
Whole-time Director

Vivek Chawla
Whole-time Director & CEO

S. K. Khetan
Director (Operations) and CFO

G. Saraf
V.P. (Finance) & Company Secretary

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Packaging Board Machine
Balasore, Odisha

Forward Looking Statement

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

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

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



Glimpse of the Shree Shree Jagannath Mandir
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Emami Paper Mills Limited

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Phone: +91 33 6627 1301
Email: investor.relations@emamipaper.com
Website: www.emamipaper.in
CIN: L21019WB1981PLC034161

Notice

NOTICE is hereby given that the **Thirty Ninth Annual General Meeting ("AGM")** of the Members of Emami Paper Mills Limited ("the Company") will be held on **Friday, 27th August, 2021** at **11.00 A.M.** through **Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon.

2. To declare dividend @ 8% p.a., i.e. ₹ 8/- per Preference Share of face value of ₹ 100/- each for the financial year 2019-20 and 2020-21, respectively.

3. To appoint a Director in place of Mr. P. S. Patwari (DIN: 00363356), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr. Aditya V. Agarwal (DIN: 00149717), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To consider and ratify the remuneration payable to M/s V.K. Jain & Co., Cost Accountants as Cost Auditors for the financial year ending 31st March, 2022 and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for payment of remuneration of ₹1,50,000/- (Rupees One Lac Fifty Thousand only) plus applicable taxes and out of pocket expenses, for conducting audit of the cost accounting records of the Company for the financial year 2021-22 as may be applicable to the Company, to M/s. V.K. Jain & Co., Cost Accountants (Firm's Registration No: 00049) who were re-appointed as Cost Auditors of the Company by the Board of Directors of the Company at its meeting held on 1st June 2021".

6. To consider and approve the re-appointment and remuneration of Mr. Aditya V. Agarwal (DIN: 00149717) as a Whole-time Director, designated as "Executive Chairman", liable to retire by rotation, and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of the Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, if any, read with relevant Rules and Schedule V made thereunder ("Act") (including any statutory modification(s) or re-enactment(s) thereof), the Articles of Association of the Company and applicable Regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"),recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Aditya V. Agarwal (DIN: 00149717) as Whole-time Director, designated as "Executive Chairman", liable to retire by rotation, for a period of 3 (three) years w.e.f. 1st November, 2021, on the terms and conditions including payment of remuneration as set out in the statement annexed to this Notice convening this meeting and as enumerated in the Agreement dated 1st June, 2021 which has been submitted to this meeting and is also hereby specifically approved.

   RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter or vary the terms & conditions of his re-appointment and/or remuneration as it may deem fit and in such manners, as may be agreed to between the Board and Mr. Aditya V. Agarwal and in the event of absence or inadequacy of profit, the Company may pay remuneration to Mr. Aditya V. Agarwal by way of salary and perquisites

Notice
of Annual General Meeting

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

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

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable in this regard."

7. To consider and approve the appointment and payment of remuneration of Mr. Vivek Chawla (DIN: 02696336) as a Whole-time Director, liable to retire by rotation, designated as Whole-time Director & Chief Executive Officer (CEO) and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant Rules made thereunder("Act") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Vivek Chawla (DIN: 02696336) who, pursuant to Section 161 of the Act and the Articles of Association of the Company was appointed as an Additional Director and designated as a Whole-time Director by the Board of Directors of the Company at their meeting held on 20th November 2020, based on the recommendation of the Nomination and Remuneration Committee of the Board and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, signifying his intention to propose Mr. Vivek Chawla as a candidate for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of the Sections 196,197, 203 and other applicable provisions of the Companies Act, 2013, if any, read with relevant Rules and Schedule V made thereunder ("Act") (including any statutory modification(s) or re-enactment(s) thereof), the Articles of Association of the Company and applicable Regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the consent of the Members of the Company be and is hereby accorded to the appointment of Mr. Vivek Chawla (DIN: 02696336) as Whole-time Director, liable to retire by rotation, for a period of 3 (three) years w.e.f. 2nd December, 2020, on the terms and conditions including payment of remuneration as set out in the Statement annexed to this Notice convening this meeting and as enumerated in the Agreement dated 7th December, 2020, which has been submitted to this meeting and is also hereby specifically approved.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter or vary the terms & conditions of his appointment and/or remuneration as it may deem fit and in such manners, as may be agreed to between the Board and Mr. Vivek Chawla and in the event of absence or inadequacy of profit, the Company may pay remuneration to Mr. Vivek Chawla by way of salary and perquisites as Minimum Remuneration notwithstanding that such remuneration is in excess of the limits specified in the Act (including any statutory modification(s) thereof from time to time).

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

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable in this regard."

By order of the Board

G.Saraf
Vice President (Finance) & Company Secretary
FCS: 2028

Kolkata
1st June, 2021

Notice
of Annual General Meeting

NOTES:

1. Considering the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its General Circular No. 02/2021 dated 13th January, 2021 read with General Circular No. 14/2020 dated8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 20/2020 dated 5th May, 2020 (collectively referred to as "MCA Circulars") and other applicable circulars issued by the Securities and Exchange Board of India ("SEBI Circulars"), has allowed the Companies to conduct Annual General Meeting ("AGM") through VC/OAVM during the calendar year 2021. The physical attendance of the Members at the AGM venue is not required. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

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

3. In this Notice, the term Member(s) or Shareholder(s) are used interchangeably.

4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a Member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.

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

6. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

7. **Dispatch of Annual Report through Electronic Mode:**

   In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail address is registered with the Depository Participants/RTA. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.emamipaper.in, websites of the Stock Exchanges that is, BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. at www.evotingindia.com.

8. The transcript of the forthcoming AGM on Friday, 27th August, 2021 shall be made available on the website of the Company at www.emamipaper.in as soon as possible after the meeting is over.

9. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice shall be made available for inspection electronically,

from date of circulation of this Notice, till the date of AGM, on receipt of request by the Company at investor.relations@emamipaper.com.

10. The Register of Members and Share Transfer Book of the Company will remain closed from Saturday, 21st August, 2021 to Friday, 27th August, 2021 (both days inclusive) for the purpose of AGM.

11. Those shareholders who have registered/not registered their e-mail address or registered an incorrect e-mail address and mobile numbers including address and bank details may please contact and validate/update their details with the Depository Participants in case of shares held in electronic form and with M/s. Maheshwari Datamatics Private Limited, Registrar & Transfer Agent of the Company ("RTA") in case of shares are held in physical form.

12. Pursuant to the amendments in the Income Tax Act, dividend income is taxable in the hands of the shareholders from 1st April, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per IT Act with their Depository Participants or in cases shares are held in physical form, with the Company by sending an email to the Company's e-mail address at investor.relations@emamipaper.com or the RTA at mdpldc@yahoo.com.

13. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Shareholders holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining demat accounts. Shareholders holding shares in physical form can submit their PAN to the Registrar, M/s Maheshwari Datamatics Pvt. Ltd., 23 R.N. Mukherjee Road 5th Floor, Kolkata-700 001. Phone: 033 2243 5029/2248 2248, Fax: 033 2248 4787, Email: mdpldc@yahoo.com.

14. Shareholders holding shares in single name and physical form are advised to make a nomination in respect of their shareholding in the Company. Shareholders are also advised to dematerialise their shareholding to avail numerous benefits of dematerialisation, which include transferability, easy liquidity, trading and elimination of any possibility of loss of documents.

15. Non-Resident Indian Shareholders are requested to inform the RTA of the Company immediately regarding:

    (a) Change in their residential status on return to India for permanent settlement.

    (b) Particulars of their bank account, maintained in India with complete name, branch, account type, account number and address of the bank with a pin code number, if not furnished earlier.

16. **Voting through electronic means:**

    The Company is pleased to provide members, facility to exercise their right to vote on resolutions proposed to be considered at the 39th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Shareholders using an electronic voting system from a place other than venue of the AGM ("remote E-Voting") will be provided by Central Depository Services (India) Limited (CDSL).

17. The Shareholders as on the cut-off date viz. Friday, 20th August 2021, shall only be eligible to vote on the resolutions mentioned in the Notice of the AGM.

18. The Shareholders shall have one vote per equity share held by them. The facility of voting would be provided once for every folio/client id, irrespective of a number of joint holders.

19. Any person, who acquires shares of the Company and becomes a member of the Company after dispatching of the Notice of the Annual General Meeting and holding shares as on the cut-off date i.e. Friday, 20th August 2021 may obtain the Login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if a person is already registered with CDSL for e-Voting then existing User ID and password can be used for casting vote.

20. Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting under **Item No. 5 to 7** forms part of this Notice and is annexed as "Annexure I" to the Notice.

21. Brief details of Directors retiring by rotation/seeking appointment/re-appointment at this meeting are provided in the "Annexure II" to the Notice.

22. The Company's Statutory Auditors, M/s Agrawal Subodh

& Co., Chartered Accountants, (Firm Registration No. 319260E), were appointed as the Statutory Auditors of the Company for a period of 5 years at the Annual General Meeting held on August, 14, 2017 i.e. upto the conclusion of the Annual General Meeting to be held in the calendar year 2022 on the remuneration to be determined by the Board of Directors. Pursuant to the amendment made by the Companies (Amendment) Act, 2017, effective from May 7, 2018, it is no longer necessary to seek the ratification of the Shareholders for continuance of the above appointment. Hence, the Company is not seeking the ratification of the Shareholders for the re-appointment of the Statutory Auditors.

23. In order to provide protection against fraudulent encashment of dividend warrants, the Shareholders, holding shares in physical form are requested to provide, if not already provided, their bank account number, name and address of the Bank and Branch.

24. In case the shares are held in dematerialized form, the above intimation, along with any request for effecting changes in the details provided earlier, should only be forwarded to the respective depository participants.

25. Shareholders are requested to immediately notify the Company their change of Address, Mandate Bank Particulars, etc. to ensure prompt action. Shareholders are requested to clearly mention their Registered Folio Number in every correspondence with the Company. In case the shares are held in dematerialized form, the above-mentioned intimation is to be forwarded to the respective depository participants.

26. Those Shareholders who have not encashed their dividend warrants for the Financial years 2013-14 to 2018-19 may return the time-barred dividend warrants to the Company's Share Transfer Agents, M/s Maheshwari Datamatics Pvt. Ltd., 23 R. N. Mukherjee Road, 5th Floor, Kolkata-700 001 for the issue of duplicate dividend warrants.

27. In terms of Section 124(5) of the Act, dividend amount for the FY 2013-14 which remaining unclaimed for a period of 7 (seven) years shall become due for transfer in September 2021 to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, in terms of Section 124(6) of the Act, in case of Shareholders whose dividends are unpaid for a continuous period of 7 (seven) years, the corresponding shares shall be transferred to the IEPF's demat account. Members who have not claimed dividends from FY 2014 onwards are requested to approach the Company/RTA for claiming the same at the earliest to avoid transfer of relevant shares to IEPF's demat account. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March 2021 on the website of the Company (www.emamipaper.in) and as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

28. Unclaimed/Uncashed dividend upto the years ended 31st March, 2013 have already been transferred to the IEPF. The Statement containing the details of Name, Folio No. and Number of Shares transferred to IEPF Suspense Account is available on company's website.

    Shareholders can claim the transferred shares along with dividends from the IEPF Authority in Form IEPF 5 (available on iepf.gov.in) as per the procedure prescribed in the IEPF Rules.

29. The Board vide its resolution passed on 1st June 2021 have appointed Shri Sandip Kumar Kejriwal (FCS-5152, CP No.-3821) Practicing Company Secretary #332, 3rd Floor, Martin Burn House, 1, R. N. Mukherjee Road, Kolkata-700001 as the Scrutinizer for conducting the e-Voting process in a fair and transparent manner.

30. The Scrutinizer will submit his final and consolidated report to the Chairman of the Company within 48 (forty-eight) hours after the conclusion of the Annual General Meeting. The Scrutinizer's decision on the validity of all kinds of voting will be final.

31. The results of the Annual General Meeting shall be declared by the Chairman or his authorized representative or any one Director of the Company after the Annual General Meeting within the prescribed time limits. The results along with the Scrutinizers Report shall be placed on the website of the Company i.e. www.emamipapaer.in and on the website of CDSL i.e. www.evotingindia.com immediately after declaration of results. The Results will also be forwarded to the Stock Exchanges where the shares of the Company are listed.

PROCEDURES FOR THE SHAREHOLDERS FOR REMOTE E-Voting:

1) The voting period begins on Monday, 23rd August, 2021 at 09.00 a.m. (IST) onwards and ends on Thursday, 26th August, 2021 at 05.00 p.m. (IST). During this period

shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 20th August 2021,may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

2) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

3) Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting the vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from the e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

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

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

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

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

LOGIN METHOD FOR E-Voting AND JOINING VIRTUAL MEETINGS FOR PHYSICAL SHAREHOLDERS AND SHAREHOLDERS OTHER THAN INDIVIDUAL HOLDING IN DEMAT FORM.

1) The shareholders should log on to the e-Voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) Now enter your User ID
   i. For CDSL: 16 digits beneficiary ID,
   ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   iii. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any Company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

	For shareholders holding shares in Demat Form and Physical.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field.

7) After entering these details appropriately, click on "SUBMIT" tab.
8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
10) Click on the EVSN for, **"Emami Paper Mills Limited"** on which you choose to vote.
11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17) **Facility for Non – Individual Shareholders and Custodians – For Remote Voting.**
   i) Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

iii) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

iv) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

vi) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor.relations@emamipaper.com , if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / Tablets for better experience.
5. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@emamipaper.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@emamipaper.com. Those queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The time allotted by each speaker is 3 (Three) minutes. The Company reserves the right to restrict the number of questions and number of Speakers as appropriate for smooth conduct of the AGM.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.
11. Since some browsers are not optimised, shareholders are requested to download Cisco webex meetings app for best results in viewing the webinar. it is available in google play store. shareholders who are using laptops or personal computers are requested to download the webex software from: https://www.webex.com to join in the meeting.

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

1. For Physical shareholders - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to mdpldc@yahoo.com**.**
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP). For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
3. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.
4. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT") IN RESPECT OF RESOLUTIONS AT ITEM NO. 5, 6 AND 7

ITEM NO. 5

Upon the recommendation of the Audit Committee, the Board of Directors in its meeting held on 1st June, 2021 has re-appointed M/s. V. K. Jain & Co., Cost Accountants (Firm's Registration number: 00049) as Cost Auditors for conducting audit of the cost records of the Company as applicable to the Company for the financial year 2021-22 at a remuneration of ₹ 1,50,000/- (Rupees One Lac Fifty Thousand Only) plus taxes as applicable and out of pocket expenses.

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

Accordingly, ratification by the shareholders is sought for the remuneration to be paid to the Cost Auditors for the financial year ending 31st March 2022 by passing an Ordinary Resolution as set out at Item No. 5 of the Notice

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

The Board commends the **Ordinary Resolution** as set out at **Item No. 5** of the Notice for ratification by the Shareholders.

ITEM NO. 6

Mr. Aditya V. Agarwal was re-appointed as the Executive Chairman of the Company for a period of 3 years (approx.) w.e.f. 8th November, 2018 to 31st October, 2021 with the approval of the Shareholders at the Annual General Meeting held on 10th August, 2018.

Further, the Board of Directors of the Company ("the Board") at its meeting held on 1st June, 2021, has re-appointed Mr. Aditya V. Agarwal, as Executive Chairman, subject to approval of the Shareholders of the Company, for a period of 3 years w.e.f. 1st November, 2021 to 31st October, 2024 at the remuneration recommended by the Nomination and Remuneration Committee ("the Committee") of the Board and approved by the Board.

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

Mr. Aditya V. Agarwal, Executive Chairman, shall discharge specific duties and functions of Business Development, Corporate Strategic Planning and Finance under the superintendence, direction and control of the Board of Directors from time to time. For this purpose, an agreement has been entered into by the Company with Mr. Aditya V. Agarwal on 1st June, 2021. The main terms of his re-appointment as Executive Chairman are furnished below:

A. **PERIOD OF APPOINTMENT:** 1st November, 2021 to 31st October, 2024.

B. i) **SALARY:** Salary shall be in the range of ₹11,00,000/- (Rupees Eleven Lac Only) to ₹13,00,000/- (Rupees Thirteen Lac Only) per month, payable monthly. The Annual increment will be considered by the Board of Directors of the Company.

ii) **BONUS:** As per rules of the Company.

iii) **PERQUISITES:**

a. Unfurnished accommodation shall be provided by the Company.

b. Reimbursement of Medical Allowance for self and dependent family members (Limited to spouse, Children and dependent parents), subject to a monetary ceiling of one month's salary.

c. Reimbursement of Leave Travel Allowance for self and dependent family members (Limited to spouse, Children and dependent parents), subject to a monetary ceiling of one month's salary.

d. Provision of car & Telephone Expenses: Use of Company's chauffeur driven car for Official use and reimbursement of telephone expenses including mobile phone (for payment of local calls and long distance official calls).

C. Mr. Aditya V. Agarwal shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration.

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i. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

iii. Encashment of un-availed earned leave at the end of the tenure.

The above Remuneration shall be subject to the ceiling prescribed under Section 196,197 read with Schedule V of the Act and the Nomination and Remuneration Committee is authorized to make such changes in remuneration, if so required as per the said Act. If in any financial year during currency of the term of his Office, the Company has no profits or its profits are inadequate, it may pay the aforesaid remuneration by way of salary and perquisites as Minimum remuneration subject to the limit provide under Schedule V of the Companies Act, 2013 or any modifications thereof from time to time.

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

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

Mr. Aditya V. Agarwal himself and Mrs. Richa Agarwal, Director being spouse of Mr. Aditya V. Agarwal are interested in the resolution set out at Item No. 6 of the Notice with regard to his re-appointment and payment of remuneration. Relatives of Mr. Aditya V. Agarwal may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above none of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board believes that the Company will be benefited from his rich and varied experience. Accordingly, the Board commends the **Special Resolution** set out at **Item No. 6** of the Notice for approval by the Shareholders.

ITEM NO. 7

The Board of Directors of the Company ("the Board") at its meeting held on 20th November, 2020 has appointed Mr. Vivek Chawla as an Additional Director and designated as a Whole-time Director of the Company subject to approval of the Shareholders of the Company, for a period of 3 (three) years with effect from 20th November 2020, at the remuneration recommended by the Nomination and Remuneration Committee ("the Committee") of the Board and approved by the Board of Directors.

Mr. Vivek Chawla is B.E (Hons) in Mining Engineering from National Institute of Technology, Raipur, MP and also holds Diploma in Business Management from IGNOU. He is an industry veteran with over 35 years of experience across commercial multi-facets of Organization's Performance ranging from Operations to Management, Sales and Marketing to Strategy and Governance and Logistics to Commercial Operations. His professional skillset includes results-driven leadership, commercial relationship building, market access, strategic revenue growth, commercial acumen, contract negotiations, team management, and performance optimization.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Vivek Chawla will hold said office up to the date of ensuing Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Mr. Vivek Chawla for the office of Director. Mr. Vivek Chawla is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent in writing to act as a Director of the Company.

Mr. Vivek Chawla, Whole-time Director shall discharge his duties and functions under the superintendence, direction and control of the Board of Directors and/or Chairman from time to time. For the purpose, an agreement has been entered into by the Company with Mr. Vivek Chawla on 7th December, 2020. The main terms of his appointment as Whole-time Director, as contained in the said agreement are furnished below:

A. **PERIOD OF APPOINTMENT:** 2nd December 2020 to 1st December 2023.

B. i) **SALARY :** Basic salary: ₹16,50,000/- (Rupees Sixteen Lac Fifty Thousand only) per month.

Based on the merit and performance of the

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Company, Annual increment will be sanctioned by the Chairman, subject to a monetary ceiling of 15% per annum.

ii) **BONUS:** As per rules of the Company.

iii) **PERQUISITES :**

a. House Rent Allowance of ₹ 8,25,000/- (Rupees Eight Lac Twenty Five Thousand Only) per month.

b. Special Allowance of ₹ 4,70,635/- (Rupees Four Lac Seventy Thousand Six Hundred Thirty Five Only) per month.

c. Performance Linked Allowance of ₹75,24,000/- (Rupees Seventy Five Lac Twenty Four Thousand only) per annum.

d. Reimbursement of Medical Allowance for self and dependent family members (Limited to spouse, children and dependent parents), subject to a monetary ceiling of one month's salary.

e. Leave Travel Allowance for self and dependent family members (Limited to spouse, children and dependent parents), subject to a monetary ceiling of one month's salary.

f. Use of Company's Car for official purposes and reimbursement of mobile and telephone expenses at residence (including payment for local calls and long-distance official calls.)

g. Mr. Vivek Chawla shall also be eligible to the following perquisites, which shall not be included in the computation to the ceiling on remuneration.

i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

iii. Encashment of un-availed leave at the end of the tenure.

The above remuneration shall be subject to the ceiling prescribed under Section 196,197 read with Schedule V of the Act and the Nomination and Remuneration Committee is authorized to make such changes in remuneration, if so required as per the said Act. If in any financial year during currency of the term of his Office, the Company has no profits or its profits are inadequate, it may pay the aforesaid remuneration by way of salary and perquisites as Minimum Remuneration subject to the limit provided under Schedule-V of the Companies Act, 2013 or any modifications thereof from time to time.

Mr. Vivek Chawla satisfies all the conditions set out in Part I of Schedule V to the Act read with Section 196 of the Act.

Further, as per the recommendation of the Nomination and Remuneration Committee, the Board of the Directors at their meeting held on 19th March 2021, has elevated Mr. Vivek Chawla as Chief Executive Officer (CEO) of the Company with effect from 1st April, 2021 in terms of the provision of Section 2(18) and Section 203 of the Companies Act 2013. Presently, Mr. Vivek Chawla is designated as Whole-time Director & CEO of the Company.

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

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

Save and except the above none of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board believes that the Company will benefit from his professional expertise and rich experience. Accordingly the Board commends the **Special Resolution** set out at **Item No. 7** of the Notice for approval by the Shareholders.

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BRIEF RESUME OF DIRECTORS RETIRING BY ROTATION/SEEKING APPOINTMENT/RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING

[Disclosure required under Companies Act, 2013, Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by ICSI]

Name of the Director	**Mr. Aditya V. Agarwal**	**Mr. P.S. Patwari**	**Mr. Vivek Chawla**
Category	Executive Chairman	Executive Director	Whole-time Director & CEO
Director Identification Number	00149717	00363356	02696336
Date of Birth/Age	06.01.1975/ 46 Years	16.03.1955 / 66 Years	10.06.1960 / 61 years
Date of first Appointment on the Board	23.10.2000	28.11.1994	02.12.2020
Experience in Specific Functional Area	Well known Industrialist. Rich and varied experience in Finance, Corporate Planning, Business Development, Strategy formulation and overall management.	Extensive experience in the area of Finance, Accounting, Corporate Planning, Business Development, Strategy formulations, and overall management.	An Industry veteran with over 35 years of experience across multi-facets of Organization's Performance ranging from Operations to Management, Sales and Marketing to Strategy and Governance and Logistics to Commercial Operations.
Qualifications	B.Com	B.Com., FCA	B.E (Hons.) in Mining Engineering from National Institute of Technology, Raipur, Diploma in Business Management, IGNOU
Terms and Conditions of Appointment / Reappointment	As mentioned in Statement to item no. 6 of the Notice.	Re-appointment on retiring by Rotation.	As mentioned in Statement to item no. 7 of the Notice.
Details of remuneration sought to be paid	As mentioned in Statement to item no. 6 of the Notice.	Not Applicable	As mentioned in Statement to item no. 7 of the Notice.
Last drawn remuneration	₹1,13,76,053/-	₹ 2,54,33,994/-	First appointment in the Company and hence not applicable.
Relationship with other Directors and Key Managerial Personnel	Mrs. Richa Agarwal – Spouse (Non-xecutive Director)	None	None

Annexure-II

to the notice of Annual General Meeting

Name of the Director	Mr. Aditya V. Agarwal	Mr. P.S. Patwari	Mr. Vivek Chawla
Directorship in other Companies as on 31st March, 2021	1. Emami Limited 2. Ajanta Suppliers Private Limited 3. Emami Group of Companies Private Limited 4. TMT Viniyogan Limited 5. Sneha Enclave Private Limited	1. Barbrik Barter Private Limited 2. Biswanath Barter Private Limited 3. Bengal Emami Housing Limited 4. Prakash Mercantile Private Limited 5. Emami Centre for Creativity Private Limited	Nu Vista Limited
Chairmanship/ Membership of the Committees of the Boards of other Companies	Nil	Nil	Nu Vista Limited Nomination and Remuneration Committee - Chairman Corporate Social Responsibility Committee - Chairman Audit Committee - Member
No. of Shares held in the Company as on 31st March 2021	12,500	NIL	NIL
Number of Board Meetings attended during the financial year	Seven of Seven	Seven of Seven	Three of Three

Annexure-III

to the notice of Annual General Meeting

STATEMENT OF INFORMATION FOR MR. ADITYA V. AGARWAL PROVIDED IN TERMS OF THE SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION

1) **Nature of Industry -** Manufacturing and selling of 'PAPER AND PAPER BOARD' including 'Newsprint'

2) **Date or expected date of commencement of commercial production -** Not applicable

3) **In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus -** Not applicable.

4) **Financial Performance based on given indicators-**

(₹ in crores)

Sl. No.	Particulars	2020-21	2019-20
a)	Paid up Equity Share Capital	12.10	12.10
b)	Reserve & Surplus (other Equities as per Ind AS)	283.84	206.82
c)	Sale/Income from operation	1,216.27	1,515.32
d)	Total Income	1,236.58	1,519.14
e)	Profit before exceptional items and tax	30.16	22.48
f)	Profit before tax	102.62	(4.52)
g)	Profit after tax	51.06	(10.45)

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

II. Information about the appointee:

1) **Background details -**

Mr. Aditya V. Agarwal (DIN: 00149717), son of Mr. Radheshyam Agarwal aged about 46 years, joined the Company in the year 2000. He was elevated to the position of Executive Chairman on 08.11.2012. He has an extensive knowledge of Accounting, Marketing, Corporate Planning, Business Development, Strategy formulation and overall management. His brilliance, dedication during the critical phase of the unit and outstanding ability coupled with keen insight, tenacity and fair-sightedness, soon made him the Senior Executive of the Company. He has always an excellent flavor of Public relation.

He is associated with various federations and social organizations.

2) **Past Remuneration -**

(₹ in Lacs)

2020-2021	2019-2020	2018-2019
113.76	124.59	68.00

3) **Recognition or Awards -**

He has been awarded by various Chamber of Commerce.

4) **Job profile and his suitability -**

Mr. Aditya V. Agarwal shall discharge specific duties and functions of Business Development, Corporate Strategic Planning and Finance under the superintendence, direction and control of the Board of Directors.

Mr. Aditya V. Agarwal presently holds office as Executive Chairman of the Company and has made significant contribution for development of the Company.

With his rich and varied experience backed by family background Mr. Aditya V. Agarwal has contributed significantly to consolidating the paper business during the critical integration phase before and after merger of two units and commissioning of Paper Machine No. III and IV for Multi-Layer Coated Board Paper project including captive power plants at Balasore, Odisha.

He has successfully contributed in business

Annexure-III

to the notice of Annual General Meeting

development, corporate strategic planning and finance planning for expansion plan and working capital requirements for Multi-Layer Coated Board Paper project with a vision to reach the Company to become the largest Paper and Paper Board Manufacturer in the Country.

Considering his extensive business experience, ability, commendable leadership, expertise in Marketing, Corporate Planning, business development, strategy formulation, overall management, dedicated service, Commitment and with a view to avail his service for sustaining the growth and progress of the Company, the Board considered it necessary to re-appoint Mr. Aditya V. Agarwal as Whole-time Director, designated as Executive Chairman of the Company for a period of 3 years w.e.f. 1st November, 2021 to 31st October, 2024. Accordingly, the Board of Director in its meeting held on 1st June 2021 re-appointed Mr. Aditya V. Agarwal as Whole-time Director, designated as Executive Chairman subject to approval of the Members in the General Meeting.

As Executive Chairman of the organization, he is always been in front for the improved performance and all round progress of the Company. Keeping in view his expertise, dedication and experience the Board recommends for re-appointment of Mr. Aditya V. Agarwal for a period of 3 years w.e.f. 1st November, 2021 to 31st October, 2024.

5) **Remuneration Proposed -**

As detailed in the statement of **Item No. 6** of this notice. The proposed remuneration is commensurate with the responsibilities of the appointee and is in line with the remuneration practices in the Paper & Paper Board industry.

6) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person -**

Considering the size, complexity and nature of business the remuneration and other pecuniary benefits proposed to be paid to the Executive Director are commensurate with the increased job requirements, responsibilities and is in the line with other similar companies

7) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other Director, if any -**

Besides the remuneration proposed, Mr Aditya V. Agarwal has no other pecuniary relationship with the Company or any relationship with the managerial personnel of the Company. Mr. Aditya V. Agarwal and Mrs. Richa Agarwal, Non-Executive Director, related to each other being spouse.

III. Other Information:

1) **Reasons of loss or inadequate profits -** The Company has a profitable operations but the remuneration proposed does not fall under the limits as specified under Section 197 of the Act, and hence, resulted in inadequacy of profits.

2) **Steps taken or proposed to be taken for improvement -** The Company has taken significant steps to reduce costs in line with the projected sales given the COVID impact. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.

3) **Expected increase in productivity and profit in measureable terms -** The Company is very conscious about improvement in productivity and undertakes continuous measures to improve it. However, it is extremely difficult in the present scenario to predict the profits in measurable terms.

IV. Disclosures:

a) The details of remuneration to Mr. Aditya V. Agarwal are given in the statement annexed herewith at **Item No. 6** of this Notice

b) The Remuneration Package and other terms applicable to the Directors is also disclosed in the Corporate Governance Report forming part of the Annual Report of the Company.

Annexure-IV

to the notice of Annual General Meeting

STATEMENT OF INFORMATION FOR MR. VIVEK CHAWLA PROVIDED IN TERMS OF THE SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION :

1) **Nature of Industry -** Manufacturing and selling of 'PAPER AND PAPER BOARD' including 'Newsprint'

2) **Date or expected date of commencement of Commercial Production -** Not applicable

3) **In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus -** Not applicable.

4) **Financial Performance based on given indicators-**

(₹ in crores)

Sl. No.	Particulars	2020-21	2019-20
a)	Paid up Equity Share Capital	12.10	12.10
b)	Reserve & Surplus (other Equities as per Ind AS)	283.84	206.82
c)	Sale/Income from operation	1,216.27	1,515.32
d)	Total Income	1,236.58	1,519.14
e)	Profit before exceptional items and tax	30.16	22.48
f)	Profit before tax	102.62	(4.52)
g)	Profit after tax	51.06	(10.45)

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

II. Information about the appointee:

1) **Background Details -**

As detailed in the statement at Item No. 7 of this Notice.

2) **Past Remuneration -**

First Appointment in the Company and hence not applicable.

3) **Recognition or Awards -**

Not Applicable

4) **Job profile and his suitability -**

Mr. Vivek Chawla shall manage and control all affairs including Operations of the Company. He shall discharge his duties and functions under the superintendence, direction and control of the Board of Directors and/or Chairman. Prior to joining the Company, Mr. Vivek Chawla was Whole-time Director and CEO of Emami Cement Ltd for last 5 years and has contributed significantly towards improvement of the Company and keeping in view his overall performance, contribution, expertise, dedication and experience towards significant improvement and all round progress of the Company during his tenure in Emami Cement Limited, the Board of Directors of the Company in their meeting held on 20th November, 2020, appointed him as Whole-time Director(WTD) of the Company for a period of 3 years with effect from 2nd December, 2020 subject to approval of the Shareholders at the ensuing Annual General Meeting of the Company. Based on the recommendation of the Nomination and Remuneration Committee he was elevated to the position of Chief Executive Officer (CEO) of the Company with effect from 1st April, 2021. Presently he is designated as WTD & CEO.

5) **Remuneration Proposed -**

As detailed in the statement at **Item No. 7** of this Notice. The proposed remuneration is commensurate with the responsibilities of the appointee and is in line with the remuneration practices in the Paper & Paper Board industry.

6) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person -**

Annexure-IV

to the notice of Annual General Meeting

Considering the size, complexity and nature of business the remuneration and other pecuniary benefits proposed to be paid to the Whole-time Director are commensurate with the increased job requirements, responsibilities and is in the line with other similar companies.

7) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other Director, if any -**

Besides the remuneration proposed, Mr. Vivek Chawla has no other pecuniary relationship with the Company or any relationship with the managerial personnel or other Director of the Company.

III. Other Information:

1) **Reasons of loss or inadequate profits -** The Company has a profitable operations by but the remuneration proposed does not fall under the limits as specified under Section 197 of the Act, and hence, resulted in inadequacy of profits.

2) **Steps taken or proposed to be taken for improvement -** The Company has taken significant steps to reduce costs in line with the projected sales given the COVID impact. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.

3) **Expected increase in productivity and profit in measureable terms -** The Company is very conscious about improvement in productivity and undertakes continuous measures to improve it. However, it is extremely difficult in the present scenario to predict the profits in measurable terms.

IV. Disclosures:

a) The details of remuneration to Mr. Vivek Chawla are given in the statement annexed herewith at **Item No. 7** of this Notice.

b) The Remuneration Package and other terms applicable to the Directors is also disclosed in the Corporate Governance Report forming part of the Annual Report of the Company.