



STAR PAPER MILLS LIMITED

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



C/SA/SE/261

27th Aug., 2019

To,

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

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

Dear Sir,

Sub: Annual Report 2018-19 & 80th Annual General Meeting (AGM) Notice

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached here with copy of Annual Report for the year 2018-19 & Notice convening 80th AGM of the company to be held on Thursday, 19th Sept., 2019 at 10.30 AM at Kolkata.

Submitted for kind information and record please.

Thanking you

Yours faithfully
For Star Paper Mills Limited

Saurabh Arora
Company Secretary



STAR PAPER MILLS LIMITED

CIN-L21011WB1936PLC008726

Registered Office: Duncan House, 2nd Floor, 31 Netaji Subhas Road, Kolkata – 700 001.

Ph: (033) 22427380-83, Fax: (033) 22427383, email: star.cal@starpapers.com web: www.starpapers.com

NOTICE TO SHAREHOLDERS

NOTICE is hereby given to the Members that the 80th Annual General Meeting of the members of Star Paper Mills Limited will be held at 'Kalakunj' (Kalamandir Basement), 48, Shakespeare Sarani, Kolkata-700 017 on Thursday 19th Sept., 2019 at 10:30 A.M to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2019 and Statement of Profit & Loss for the financial year ended on that date together with Board of Directors and the Auditors' Report thereon.
2. To declare a dividend on Equity shares.
3. To appoint a Director in place of Mr. Shrivardhan Goenka (DIN:00030375) who retires by rotation at this AGM and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Mr Gouri Prasad Goenka {hereinafter referred to as 'Mr. G.P. Goenka'} (DIN:00030302) as an executive director designated as 'Executive Chairman':

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 152, 160, 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder, read with Schedule V to the Act (including any statutory modifications or re-enactments thereof) and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. G.P. Goenka (DIN: 00030302) who was appointed as Additional Director of the company by the Board of Director w.e.f 7th Aug., 2019 and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the company has received a Notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted required declarations for appointment as Director, be and is hereby appointed as Executive Director of the company designated as 'Executive Chairman' w.e.f 7th Aug., 2019 for a period of three (3) years on the terms & conditions as detailed in the explanatory statement, annexed hereto and forming part of this notice and is not liable to retire by rotation."

"RESOLVED FURTHER THAT the remuneration as stated in the explanatory statement to this resolution, shall be paid and allowed as minimum remuneration to Mr. Goenka during the currency of his tenure, notwithstanding the absence or inadequacy of profits in any financial year."

"RESOLVED FURTHER THAT the Board or a Committee thereof be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Re-appointment of Mr. Madhukar Mishra (DIN: 00096112) as Managing Director of the company:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 including any statutory modifications or re-enactments thereof and subject to such approval(s) as may be required, the company hereby approves the re-appointment of and remuneration payable to Mr. Madhukar Mishra (DIN: 00096112) as Managing Director of the Company, for a period of three (3) years with effect from 1st July, 2019 as per the terms and conditions including remuneration as stated in the explanatory statement to this resolution, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/ or remuneration as may be agreed to between the Board and Mr. Madhukar Mishra, subject to provisions of the Companies Act, 2013."

"RESOLVED FURTHER THAT the remuneration as stated in the explanatory statement to this resolution, shall be paid and allowed as minimum remuneration to Mr. Madhukar Mishra (DIN:00096112) during the currency of his tenure, notwithstanding the absence or inadequacy of profits in any financial year."

"RESOLVED FURTHER THAT the Board or a Committee thereof be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Appointment of Mr. Sunil Srivastav (DIN: 00237561) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modifications or re-enactments thereof) and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. Sunil Srivastav (DIN: 00237561) who was appointed as Additional Director of the company by the Board of Director w.e.f 14th Nov., 2018 and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the company has received a Notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the 'Act' and 'Listing Regulations' and who is eligible for appointment as Independent Director, be and is hereby appointed as Independent Director of the company w.e.f 19th Sept., 2019 for a period of five (5) consecutive years and is not liable to retire by rotation."

7. Appointment of Ms. Savita Laxmipathy Acharya (DIN: 07038198) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modifications or re-enactments thereof) and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Ms. Savita Laxmipathy Acharya (DIN: 07038198) who was appointed as Additional Director of the company by the Board of Director on 7th Aug., 2019 and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the company has received a Notice in writing from a member under section 160 of the Companies Act, 2013 proposing her candidature for the office of Director and who has submitted a declaration that he meets the criteria of independence as provided

in section 149(6) of the 'Act' and 'Listing Regulations and who is eligible for appointment as Independent Director, be and is hereby appointed as Independent Director of the company w.e.f 19th Sept., 2019 for a period of five (5) consecutive years and is not liable to retire by rotation."

8. Re-appointment of Mr. Shiromani Sharma(DIN: 00014619) as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), 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 ('Act') and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modifications or re-enactments thereof) and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. Shiromani Sharma (DIN: 00014619), a non-executive Independent director of the company who has submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the 'Act' and 'Listing Regulations and who is eligible for appointment as Independent Director, be and is hereby re-appointed as Independent Director of the company w.e.f 28th Sept., 2019 for a period of five (5) consecutive years and is not liable to retire by rotation."

9. Re-appointment of Mr. Chander Mohan Vasudev (DIN: 00143885) as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), 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 ('Act') and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modifications or re-enactments thereof) and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. Chander Mohan Vasudev (DIN: 00143885), a non-executive Independent director of the company who has submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the 'Act' and 'Listing Regulations and who is eligible for appointment as Independent Director, be and is hereby re-appointed as Independent Director of the company w.e.f 28th Sept., 2019 for a period of five (5) consecutive years and is not liable to retire by rotation."

10. Re-appointment of Mr. Michael Philip Pinto (DIN: 00021565) as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), 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 ('Act') and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modifications or re-enactments thereof) and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. Michael Philip Pinto (DIN: 00021565), a non-executive Independent director of the company who has submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the 'Act' and 'Listing Regulations and who is eligible for appointment as Independent Director, be and is hereby re-appointed as Independent Director of the company w.e.f 28th Sept., 2019 for a period of five (5) consecutive years and is not liable to retire by rotation."

11. To approve the remuneration of the Cost Auditors for FY 2019-20.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the company for the financial year 2019-20, be paid remuneration of Rs 0.50 lac plus applicable taxes and out-of-pocket expenses."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to increase or decrease remuneration."

By order of the Board of Directors

New Delhi

7th Aug., 2019

Registered Office:

Duncan House, 2nd Floor

31 Netaji Subhas Road, Kolkata – 700 001

CIN:L21011WB1936PLC008726

SAURABH ARORA

Company Secretary

Notes:

1. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of business item Nos. 4-11 are annexed hereto. The relevant details as required under Listing Regulations of persons seeking appointment as Directors under item nos. 4 -10 of the Notice is also annexed.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll in his stead. A proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company, such proxy shall not act as a proxy for any other person or shareholder.
3. Proxy Forms duly completed should be deposited either at the Company's Registered Office or at the office of the Registrar and Share Transfer Agents (RTA) not less than FORTY EIGHT (48) hours before commencement of the Meeting.
4. The Register of Members of the Company shall remain closed from 12th Sept., 2019 to 19th Sept., 2019 both days inclusive.
5. Members desiring any information as regard the Accounts may write to the company at least seven days before the Annual General Meeting so as to enable the management to keep the information ready at the meeting.
6. Pursuant to the provisions of the Companies Act, 2013, all unclaimed dividends for the period upto and including the year ended 31st March, 2011 have been transferred to the Investor Education and Protection Fund of the Central Government. Further, pursuant to IEPF (Accounting, Audit, Transfer & Refund) Rules, 2016, the company has also transferred shares to IEPF Authority in respect of unclaimed/unpaid dividend already transferred to IEPF fund. Shareholders can claim the above shares and/or dividend from the IEPF Authority by following the prescribed procedure
7. Members are further requested to notify/send the following to the Registrar and Share Transfer Agents
 - i) Intimation of change in address;
 - ii) Particulars of their bank account, in case the same have not been sent earlier;
 - iii) Share certificate(s) held in multiple accounts in individual names or joint names in the same order of names, for consolidation of such shareholdings into one account; and

- iv) Members are requested to register their e-mail addresses with Registrar and Share Transfer Agent (RTA) if shares are held in physical mode or with their Depository Participant (DP) if the holding is in electronic mode to receive documents/ notices including Annual Report and other communications in soft mode.
8. The Notice of AGM along with the Annual Report 2018-19 is being sent by electronic mode to those members whose e-mail address are registered with the Company/Depositories, unless any member has requested a physical copy of the same. For members who have not registered their e-mail addresses, physical copy are being sent by the permitted mode.
9. In compliance with the provisions of Section 108 and Rules framed there under and the listing agreement, members are provided with the facility to cast their vote electronically, through the 'remote e-voting' services provided by Karvy Fintech Pvt Ltd (KARVY) on all resolutions set forth in this Notice. The facility for voting through Ballot Paper shall also be available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
The instructions for 'remote e-voting' are as under:
(A) In case a Member receives an e-mail from KARVY for AGM Notice and Annual Report [for Members whose email IDs are registered with the Company/Depository Participants (s)]:
- i) Launch internet browser by typing the URL: www.evoting.karvy.com
 - ii) Members can cast their vote online from Monday, 16th Sept., 2019 at 9:00 A.M. (IST) to Wednesday, 18th Sept., 2019, at 5:00 P.M (IST).
 - iii) Enter the login credentials (i.e., user-id & password) . In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KARVY for e-voting, you can use your existing User ID and password for casting your vote.
 - iv) After entering these details appropriately, click on "LOGIN".
 - v) You will now reach Password Change menu wherein you are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email ID etc on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi) You need to login again with the new credentials.
 - vii) On successful login, system will prompt to select the 'E-voting Event No.' of Star Paper Mills Ltd.
 - viii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - ix) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x) You may cast your vote by selecting appropriate option and click on "SUBMIT". A confirmation box will be displayed .If you wish to confirm your vote, click "OK", else "CANCEL" to modify.
 - xi) Once you 'CONFIRM', you will not be allowed to modify your vote.
 - xii) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
 - xiii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e 12th Sept., 2019 may obtain the User ID and password thru email request to evoting@karvy.com or may call Karvy's toll free number -1800-3454-001. In case of any query or grievance, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> or contact at evoting@karvy.com or toll free number as given above.
 - xiv) Corporate/Institutional Members (corporate /FIs/FII/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution together with specimen signature of authorised signatory who is authorised to vote to the Scrutinizer through e-mail to debabrata@ddc.org.in with copy to evoting@karvy.com.
- (B) In case Members receiving physical copy of AGM Notice and Annual Report [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:
- (i) E-Voting Event Number (EVEN), User ID and Password are provided in covering letter.
 - (ii) Please follow all steps from Sl. No. (i) to (xiv) above to cast your vote by electronic means.

Others details:

- (i) The voting rights of the Members shall be in proportion to their shares to the paid up capital of the company as on the cut-off date being 12th Sept. 2019..
- (ii) Mr. Debabrata Dutt, practicing company secretary (Membership no. FCS-5401) proprietor of M/s D. Dutt & Co., Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer after scrutinizing the votes cast at the meeting and through remote e-voting will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman.
- (iii) The results declared along with the Scrutinizer Report shall be placed on company' website www.starpapers.com and on KARVY website www.evoting.karvy.com & will be communicated to the Stock Exchanges.
- (iv) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 19th Sept., 2019.

STATEMENT SETTING OUT MATERIAL FACTS (Pursuant to Section 102 of the Companies Act, 2013)

The following statement sets out all material facts relating to the special business mentioned in the accompanying Notice:

ITEM NO. 4

Details & Profile

Mr. G.P. Goenka, B.Sc., joined the Board of the company in 1986 as Promotor Director and rose to become the longest serving Chairman of the company. He stepped down from the position of 'Executive Chairman' and also Directorship of the Board on 28th May, 2019 for personal reasons. Mr. Goenka has vast experience of 57 years in management, strategic planning, acquisition, takeover and expansion etc.

Under Mr. Goenka's leadership, the company transformed into the growing, value creating entity by establishing long standing relationships across its wide spectrum of stakeholders with a reputation, ethical standards and a passion of growth for all.

The Board of Directors in its meeting held on 29th May, 2019 placed on record the appreciation for the leadership and the valuable contribution made by Mr. Goenka during his association with the company.

Owing to his deep business insight, relationships, involvement in policy making and key decision making, the company was keen on availing his services to which Mr. Goenka agreed. Accordingly, on the recommendation of Nomination & Remuneration Committee, the Board unanimously appointed Mr. Goenka as additional director of the company designated as 'Executive Chairman' in its meeting held on 7th Aug., 2019 subject to the approval of the members and other statutory approval(s), if required.

The main terms and conditions of appointment of Mr. G.P. Goenka are as under:

A. Remuneration:

I. Salary: Rs.7,84,000/- (Rupees Seven lacs eighty four thousand only) per month.

II. House Rent Allowance: Rs.1,25,000/- (Rupees One lac twenty five thousand only) per month.

III. Perquisites: Mr. Goenka shall be entitled to the following perquisites:

i) **Medical benefit:** Reimbursement of actual expenses incurred, subject to a ceiling of three(3) month's salary in a block of three (3) years for domiciliary treatment and for hospitalization expenses at actuals.

ii) **Leave Travel Assistance:** For himself and his family subject to maximum of 2 months' basic salary per annum.

iii) **Premium on Personal Accident Insurance:** Premium for Personal Accident Insurance for a sum assured of Rs.1,00,00,000/- (Rupees One Crore only)

iv) **Club Membership:** Membership fees (not being life-membership fees) plus subscription for two clubs.

v) **Telephone :** Actual telephone & mobile expenses at office and residence for official purposes.

vi) **Company's car for official use:** Two motor cars with drivers to be used for company's business.

vii) **Entertainment Expenses:** Actual expenses incurred for official purposes.

viii) **Earned/Privilege leave:** Earned/Privilege leave on basic pay as per the rules of the Company.

ix) **Gratuity:** Gratuity as per rules of the company.

IV. Commission: Commission in respect of each financial year as may be decided and determined by the Board of Directors of the Company from time to time subject to the conditions that aggregate remuneration paid to Mr. Goenka shall not exceed any limit prescribed under the Companies Act, 2013.

V. Minimum Remuneration: Notwithstanding anything to the contrary herein contained, in the event of loss or inadequacy of profits of the Company in any financial year during the term of Mr. Goenka's appointment as Executive Director, he shall be entitled to such remuneration as specified above subject to the provisions of the Companies Act, 2013.

B. Other Terms and conditions:

1. Mr. Goenka shall (unless by reasons of being on leave) throughout the aforesaid period (except with the consent of the Board) devote the whole of his time and attention to the business and affairs of the Company.

2. Mr. Goenka shall perform such duties and exercise such powers as are laid down from time to time.

3. Mr. Goenka being Executive Chairman of the company, shall not be subject to retirement by rotation.

4. Mr. Goenka shall be entitled to such annual increments as may be decided by the Board of Directors of the Company from time to time, subject to such ceilings as may be applicable under the Companies Act, 2013.

5. In case Mr. Goenka's appointment is not approved in general meeting or by the Central government, if required then he shall refund all such sums including money value of perquisites as received/availed by him from the company under this contract and until such sums are refunded, hold the same in trust for the company.

6. Mr. Goenka shall not, so long as he functions as a Executive Director, receive any fee for attending any meeting of the Board or a Committee thereof.

7. Mr. Goenka shall not, without the prior permission of the Board, either during or after completion of his appointment-term, divulge or communicate to any person or persons (except to the employees of the Company or any other duly authorised person) or himself make use of the company's secrets or any other information which he may receive or obtain in relation to the company's affairs or to the working of any process or invention which is carried on or used by the company or any other matters which may come to his knowledge in the course of or by reason of his appointment with the company.

8. The appointment may be terminated at any time by either party by giving to other party Six (6) months notice of such termination and neither party will have any claim against the other for damages or compensation by reason of such termination.

The Board recommends the Resolution at Item No. 4 to be passed as special resolution.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors/ KMPs, in any way except Mr. G.P Goenka and Mr. Shrivardhan Goenka being his son are concerned or interested in the resolution.

ITEM NO. 5

Details & Profile

The shareholders at their 77th Annual General Meeting (AGM) of the company held on 14th Sept., 2016, accorded their approval for the re-appointment of Mr. Madhukar Mishra, as Managing Director of the company for a period of three (3) years with effect from 1st July, 2016. The said appointment agreement expired on 30th June, 2019. Based on the recommendations of Nomination and Remuneration Committee (NRC) of the Board, the Board of Directors in its meeting held on 29th May, 2019 have re-appointed Mr. Madhukar Mishra, as Managing Director of the Company for a further period of three (3) years commencing from 1st July, 2019.

Mr. Madhukar Mishra, B. Sc., DMS (Management) has been serving the company as managing director since 2001. He is having sound knowledge and vast experience in Paper Industry. He also has exposure to other Industries like Chemicals, Manmade Fibers, Cement, Building products , International Trade in senior positions.

The service terms and condition including remuneration in respect of Mr. Mishra's appointment as Managing Director of the company for the period from 1st July, 2019 to 30th June, 2022 are given hereunder:

i) Remuneration:

In consideration of his services, Mr. Madhukar Mishra shall be entitled to the following remuneration during his tenure (1st July 2019 to 30th June 2022):

Remuneration-Head	Amount in Rs.
Basic Salary -per month	7,70,000
Special Allowance-per month	6,10,000
House Maintenance Allowance (HMA) - per month	20,000
Performance Pay per annum (As may be decided by the Board of Directors based on performance review from year to year-Minimum Rs. 60 Lakhs)	60,00,000

ii) Perquisites

Mr. Mishra shall be entitled to the following perquisites:

1. Medical: Allowance of Rs. 15,000/- per annum.
2. Provision of two cars with drivers including fuel, running expenses and maintenance with an option to purchase the cars at the written-down value (WDV) as per policy of the company **OR** Car Allowance/ Reimbursement to him of EMIs / lease rentals for two cars - Rs. 21,50,000/- per annum per car plus drivers salary, fuel, running expenses and maintenance.
3. Communication facilities at residence.
4. Provident fund, personal accident insurance, entitlement and encashment of earned leave and other benefits as per the company rules.
5. LTA and leave travel overseas including travel and boarding & lodging expenses with family as per Rules
6. Gratuity as per the company rules irrespective of any ceiling under any Act/Rules.
7. Free furnished residential accommodation / House Rent Allowance (HRA) Rs. 2,10,000/month. In addition Expenditure on gas, electricity, water, furnishing and maintenance will be incurred/reimbursed by Company.
8. Membership fees for two clubs.

iii) Other terms and conditions

1. Expenditure incurred on perquisites as mentioned above will be evaluated as per the Income Tax Rules, 1962 and in the absence of any such rule, evaluation will be at actual cost.
2. The remuneration mentioned above will be allowed as minimum remuneration irrespective of the absence or inadequacy of profits in any financial year during the currency of Mr. Mishra's tenure.
3. Annual payments will be reckoned on pro-rata basis for services provided for part of any financial year.
4. Apart from the above, appointment agreement with Mr. Madhukar Mishra sets out the mutual rights and obligations and other administrative details which are common in the case of such appointments."

The resolution set out in Item No. 5 of the accompanying 80th AGM notice is intended to obtain the consent of members in respect of the re-appointment of and remuneration payable to Mr. Madhukar Mishra as Managing Director of the company.

The Board recommends the Resolution at Item No. 5 to be passed as special resolution.

Except Mr. Mishra and his relatives, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors/ KMPs is, in any way, concerned or interested financially or otherwise in the special resolutions set out at Item no. 5 of the Notice.

ITEM NO. 6

Based on the recommendation of Nomination and Remuneration Committee (NRC), the Board of Directors appointed Mr. Sunil Srivastav as Additional director of the company w.e.f 14th Nov., 2018. Mr. Srivastav holds office upto the date of this AGM.

Under the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

The company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the company. Mr. Srivastav is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as an Independent Director. The company has received a declaration from him confirming that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations, 2015. Mr. Srivastav is independent of the management and possesses appropriate skills, experience and knowledge.

Brief profile of Mr. Sunil Srivastav

Mr. Srivastav is highly accomplished experienced banking professional with strong leadership and relation-building skills. Mr Srivastav has more than 38 years of experience in investment banking, corporate & institutional banking, capital markets, M&A etc. He has recently retired from the position of Dy. Managing Director-Corporate Accounts Group, State Bank of India, Mumbai. The terms and conditions of appointment shall be open for public inspection by the members at the registered office of the company during normal business hours on any working day excluding Saturday. Keeping in view his expertise and knowledge, it is recommended to approve appointment of Mr. Sunil Srivastav as an Independent Director of the Company. Save and except Mr. Sunil Srivastav and his relatives, none of the other Directors / Key Managerial Personnel / their relatives are, in any way, concerned or interested in the resolution set out at Item No. 6.

ITEM NO. 7

Based on the recommendation of Nomination and Remuneration Committee (NRC), the Board of Directors appointed Ms. Savita Laxmipathy Acharya (DIN: 07038198) as Additional director of the company w.e.f 7th Aug., 2019. Ms. Acharya holds office upto the date of this AGM.

Under the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

The company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director of the company. The requisite declaration u/s 164(2) of the Companies Act, 2013 and a consent to act as a director have been received from Ms. Acharya. The company has also received a declaration confirming that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations, 2015. Ms. Acharya is independent of the management and possesses appropriate skills, experience and knowledge.

Brief profile of Ms. Savita Laxmipathy Acharya

Ms. Savita Laxmipathy Acharya is a qualified chartered accountant having expertise in accounting, finance and taxation. She has a vast experience of about 24 years in finance & accounts, taxation, corporate laws, management etc. She is also on the Board of a number of corporates. Earlier, Ms. Acharya served the company during April, 2015 to May, 2019 as an Independent director before stepping down from directorship of the Board on 28th May, 2019 for personal reasons.

Owing to Ms. Acharya's expertise in finance and accounts, taxation, independent judgement in Board decisions and also being a lady, the company was keen on availing her services to which Ms. Acharya agreed.

The terms and conditions of appointment shall be open for public inspection by the members at the registered office of the company during normal business hours on any working day excluding Saturday.

Keeping in view her expertise and knowledge, it is recommended to approve appointment of Ms. Savita L. Acharya as an Independent Director of the Company. Save and except Ms. Savita L. Acharya and her relatives, none of the other Directors / Key Managerial Personnel / their relatives are, in any way, concerned or interested in the resolution set out at Item No. 7.

ITEM NOS. 8-10

The shareholders of the company at their 75th AGM held on 27th Sept., 2014 appointed Mr. Shiromani Sharma (DIN: 00014619), Mr. Chander Mohan Vasudev (DIN: 00143885) and Mr. Michael Philip Pinto (DIN: 00021565) as an Independent Directors of the company for a term of five (5) consecutive years which will expire on 27th Sept., 2019.

Further, pursuant to newly inserted Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, the shareholders approved by passing of three (3) special resolutions through postal ballot on 11th April, 2019 to continue directorship

of Mr. Shiromani Sharma, Mr. Chander Mohan Vasudev and Mr. Michael Philip Pinto who had attained the age 75 years, upto 27th Sept., 2019, being the date of expiry of their current term of office.

The Nomination and Remuneration Committee (NRC) of the Board and the Board of Directors have recommended re-appointment of these directors as Independent directors for another term of five consecutive years. All the above directors have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act and the Listing Regulations. In compliance with the provision of section 149 read with schedule IV to the Act, re-appointment of these directors is being placed before the shareholders for their approval.

The terms and conditions of re-appointment of Independent directors shall open for public inspection by the members at the registered office of the company during normal business hours on any working day excluding Saturday.

Profile and justification for re-appointment of Independent directors:

i) Mr. Shiromani Sharma:

Mr. Shiromani Sharma is a retired officer of the Indian Administrative Service (IAS). Prior to his retirement, he was the Chief Secretary to the Government of Uttar Pradesh. Mr. Sharma has served the Board of LML Ltd.

Mr. Sharma is an active member of the Board and sub-committees of the Board of which he is a member/Chairperson. He brings independent judgment on the Board and his long & continued association and knowledge about company's business and operations will be of immense value to the company. Mr. Sharma is physically fit and healthy.

Details of Mr. Sharma's attendance at the Board, sub-committees of the Board and AGM held during the last 3 financial years are given below:

Financial year	Board meeting	Audit Committee meeting	Stakeholders' Relationship Committee meeting	Nomination and Remuneration Committee meeting	Independent Directors' meeting	AGM
2018-19	4 out of 4	4 out of 4	4 out of 4	1 out of 1	Yes	Yes
2017-18	4 out of 4	4 out of 4	4 out of 4	2 out of 2	Yes	Yes
2016-17	5 out of 5	4 out of 4	4 out of 4	1 out of 1	Yes	Yes

ii) Mr. Chander Mohan Vasudev:

Mr. C.M Vasudev is a retired I.A.S officer. He holds a Master's Degree in Economics and Physics. Sh. Vasudev has worked as an Executive Director of World Bank representing India, Bangladesh, Sri Lanka and Bhutan. Mr. Vasudev has also worked as Secretary, Ministry of Finance. He has worked as a Government nominee Director on the Boards of many companies in the financial sector including State Bank of India, IDBI, ICICI, IDFC, NABARD, National Housing Bank. He has served the Board of HDFC Bank Ltd (Chairman), Noida Power Co Ltd., ICRA Management Consulting Services Ltd. NSDL Ltd. etc.

Mr. Vasudev has extensive knowledge in finance sector. He has been advising and providing valuable suggestions to the management. Mr. Vasudev is an active member of the Board and sub-committees of the Board of which he is a member/Chairperson. He brings independent judgment on the Board and his long & continued association and knowledge about company's business and operations will be of immense value to the company. Mr. Vasudev is physically fit and healthy.

Details of Mr. Vasudev's attendance at the Board, sub-committees of the Board and AGM held during the last 3 financial years are given below:

Financial year	Board meeting	Audit Committee meeting	Nomination and Remuneration Committee meeting	Independent Directors' meeting	AGM
2018-19	3 out of 4	3 out of 4	1 out of 1	Yes	No
2017-18	3 out of 4	3 out of 4	2 out of 2	Yes	No
2016-17	5 out of 5	4 out of 4	1 out of 1	Yes	Yes

iii) Mr. Michael Philip Pinto:

Mr. Pinto holds Master degree both in Arts and Public Administration (USA). Mr. Pinto has vast experience of over 40 years in Management & Administration. Mr. Pinto has served the company earlier as IDBI nominee director. He has served the Board of leading corporate houses like IL&FS Ltd., Gateway Distriparks Ltd., Snowman logistics Ltd., Essar Shipping Ltd. Currently, he is on the Board of Tolani Shipping Ltd., Principal Trustee Co. Pvt Ltd. etc.

Mr. Pinto is an active member of the Board and sub-committees of the Board of which he is a member. He brings independent judgment on the Board and his long & continued association and knowledge about company's business and operations will be of immense value to the company. Mr. Pinto is physically fit and healthy.

Details of Mr. Pinto's attendance at the Board, sub-committees of the Board and AGM held during the last 3 financial years are given below:

Financial year	Board meeting	Nomination and Remuneration Committee meeting	Independent Directors' meeting	AGM
2018-19	4 out of 4	1 out of 1	Yes	Yes
2017-18	4 out of 4	2 out of 2	Yes	Yes
2016-17	4 out of 5	1 out of 1	Yes	Yes

The Board commends passing of Special Resolutions as stated at item nos. 8-10 of the Notice for re-appointment of Mr. Shiromani Sharma, Mr. Chander Mohan Vasudev and Michael Philip Pinto as an Independent Director for another term of five consecutive years.

Except for the respective directors and their relatives being interested, none of other directors or KMP of the company or their relatives, in any way, concerned or interested financially or otherwise in the special resolutions set out at Item no. 8-10 of the Notice.

ITEM NO. 11

The Board, on the recommendation of the Audit & Risk Management Committee, has approved the appointment and remuneration of Rs.0.50 plus applicable taxes and out-of-pocket expenses of M/s K.B. Saxena & Associates, Cost Auditors, Lucknow to conduct the audit of the cost records of the company for the financial year 2019-20.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost



Auditors as recommended by the Audit & Risk Management Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No.11 of the Notice for ratification of the remuneration payable to M/s K.B. Saxena & Associates, Cost Auditors for the financial year 2019-20.

The Board recommends the Ordinary Resolution set out at Item No. 11 of the Notice for approval by the members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors/ KMPs are, in any way, concerned or interested, in the resolution set out at Item No. 11 of the Notice.

Additional information in respect of above directors pursuant to SEBI Listing Regulations, 2015 and Secretarial Standard on General meetings

Name	Mr. Shrivardhan Goenka (DIN:00030375)	Mr. Sunil Srivastav (DIN:00237561)	Mr. Chander Mohan Vasudev (DIN:00143885)	Mr. Shiromani Sharma (DIN:00014619)	Mr. Michael Philip Pinto (DIN:00021565)	Mr. Madhukar Mishra (DIN:00096112)	Mr. G.P. Goenka (DIN: 00030302)	Ms. Savita L. Acharya (DIN: 07038198)
Date of Birth	9th August, 1975	21st March, 1958	5th April 1943	5th July 1933	27th May, 1943	5th April, 1957	11th OCT., 1940	18th Sept, 1972
Date of appointment	9th September, 2002	14th Nov., 2018	22nd June, 2009	29th June 1993	29th Jan., 2010	1st July, 2001	7th Aug., 2019	7th Aug., 2019
Qualifications	B.Com., MBA (USA)	Probationary Officer, Retired Dy. MD-SBI (Corporate Acctt Group)	M.A (Eco.) & Physics., I.A.S	M. Sc., I.A.S	M.A, M.P.A (USA).	B. Sc., DMS (Management)	B. Sc.	Chartered Accountant
Expertise in specific functional area	General Business Management	Finance & Management	Finance & Management	General Business Management	Finance & Management	Business Management, Administration & Marketing	General Business Management	Fin. & Acctt, Management
Directorship in other listed companies		-Eros International Media Limited -Paisalo Digital Limited	Nil	Nil	Nil	Nil	-Duncan Industries Ltd -Stone india Ltd. -NRC Ltd.	-Duncan Industries Ltd. (DIL) -Stone India Ltd. (SIL) -NRC Ltd. -Unimers India Ltd. (UIL)
Chairmanship/ Membership of committees* of other listed companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil	-Stakeholders' Relationship Committee (Chairman) -Audit Committee (Member) Eros International Media Limited	Nil	Nil	Nil	Nil	Nil	-Audit Committee & Stakeholders' Relationship Committee (chairman)-DIL & NRC -Audit Committee (member)-SIL & UIL.
Shares held in Star Paper Mills Ltd.	45,500	Nil	Nil	Nil	Nil	Nil	Nil	Nil

STAR PAPER MILLS LIMITED

CIN-L21011WB1936PLC008726, Registered Office:Duncan House, 2nd Floor, 31 Netaji Subhas Road, Kolkata – 700 001.
Ph: (033) 22427380-83, Fax:(033)22427383, email: star.cal@starpapers.com, web: www.starpapers.com

ATTENDANCE SLIP

Name of the Member(s):.....

Address:.....Folio No./ Client ID:.....

I/We hereby record my/our presence at the 80th Annual General Meeting of the company at Kalakunj (Kalmamdir Basement), 48 Shakespeare Sarani, Kolkata-700017 on Thursday 19th Sept., 2019 at 10.30 AM.

Signature of the attending Member/Proxy.....

Notes:- i) Please read the instructions to exercise e-voting option given under Notice calling 80th AGM of the company.

ii) Member/Proxy wish to attend the meeting must handover the Attendance Slip at the entrance duly signed.

iii) Members are requested to bring their copies of the Annual Report at the Annual General Meeting as no extra copy will be supplied.

STAR PAPER MILLS LIMITED

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Form No. MGT-11 PROXY FORM

Folio No./ Client ID.....
Name of the Member(s).....
Registered Address.....

I/We, being the member (s) of holding shares of the above named company, hereby appoint

1.Name.....

Address.....

E-mail Id.....

Signature.....Or failing him.

2.Name.....

Address.....

E-mail Id.....

Signature.....Or failing him.

3.Name.....

Address.....

E-mail Id.....

Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 80th Annual General Meeting of the company to be held on Thursday 19th Sept., 2019 at 10.30 AM. at Kalakunj (Kalmandir Basement), 48 Shakespeare Sarani, Kolkata-700017 and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Sr. No	Resolutions	Vote		
		For	Against	Abstain
ORDINARY BUSINESS- 1. Adoption of the financial statements and reports thereon for the year ended 31st March, 2019				
	2. To declare a dividend on equity shares			
	3. Re-appointment of Mr. Shrivardhan Goenka (DIN 00030375) as a director who retires by rotation			
SPECIAL BUSINESS- 4. Appointment of Mr. G.P. Goenka (DIN 00030302) as executive director designated as 'Executive Chairman'				
	5. Re-appointment of Mr. Madhukar Mishra (DIN 00096112) as Managing Director of the company			
	6. Appointment of Mr. Sunil Srivastav (DIN: 00237561) as an Independent Director			
	7. Appointment of Ms. Savita L. Acharya (DIN: 07038198) as an Independent Director			
	8. Re-appointment of Mr. Shiromani Sharma(DIN: 00014619) as an Independent Director			
	9. Re-appointment of Mr. Chander Mohan Vasudev (DIN: 00143885) as an Independent Director			
	10. Re-appointment of Mr. Michael Philip Pinto (DIN: 00021565) as an Independent Director			
	11. Approval of remuneration of the cost auditors for FY 2019-20			

Signed this.....day of.....2019.

.....
Signature of the Member



.....
Signature of first Proxy Holder

.....
Signature of second Proxy Holder

.....
Signature of third Proxy Holder

Notes: 1. This form, in order to be effective, should be duly stamped, signed, completed and deposited at the Registered office of the Company, not less than 48 hours before the meeting.

2. It is optional to indicate your preference. If you leave the for, against or abstained column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

3. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting right, than such proxy shall not act as a proxy for any other person or Member.



ANNUAL REPORT 2018-19
STAR PAPER MILLS LIMITED

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Forward Looking Statement

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

CORPORATE INFORMATION

BOARD OF DIRECTORS

- 1. Mr. G.P. Goenka**
Executive Chairman
- 2. Mr. Shiromani Sharma**
Independent Director
- 3. Mr. Shrivardhan Goenka**
Non-independent Director
- 4. Mr. C.M. Vasudev**
Independent Director
- 5. Mr. M.P. Pinto**
Independent Director
- 6. Ms. Savita Laxmipathy Acharya**
Additional (Independent) Director
- 7. Mr. Madhukar Mishra**
Managing Director
- 8. Mr. Sunil Srivastav**
Additional (Independent) Director

STATUTORY AUDITORS

M/s Jain Pramod Jain & Co.
Chartered Accountants
New Delhi

Mr. P.K. Agrawal
Chief Financial Officer
(upto 31st May, 2019)

Mr. Saurabh Arora
Company Secretary

BANKERS

Bank of Baroda
Punjab National Bank

MILL

Saharanpur - 247001
(Uttar Pradesh)

REGISTERED OFFICE

'Duncan House', 2nd Floor, 31, Netaji
Subhas Road, Kolkata - 700 001
CIN:L21011WB1936PLC008726
Ph. : 033-22427380-83
Email : star.cal@starpapers.com
web:www.starpapers.com

REGISTRAR & SHARE TRANSFER AGENT

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



MANAGEMENT DISCUSSION & ANALYSIS REPORT **FY 2018-19**

GLOBAL ECONOMY

Global economic growth is projected to soften in view of heightened trade tensions and US imposed embargo on Iran leading to higher fuel prices.

INDIAN ECONOMY & PAPER INDUSTRY

Despite weak global sentiments, Indian economy continued to grow steadily as economy recovered post stabilisation of the GST and Govt spending on Infrastructure continued at higher levels.

India's GDP is expected to reach US\$ 6 trillion by FY 2027 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and Government reforms.

Indian Paper Industry is mainly divided into four segments-Writing and Printing, Industrial packaging, Specialty and Newsprint. All the sub-segments are growing in India while Writing -printing segment is under pressure globally. India holds 15th rank among paper producing countries in the world with a total estimated production of around 17 million tonnes. The per capita consumption is around 14 kgs against Asian average of 26 kgs and World average of 58 kgs. India is considered as the fastest growing market for paper in the world. The domestic consumption is expected to rise considerably in the near future. This is also attracting fresh investments particularly from Chinese paper Companies.

Strengths:

As per capita consumption of paper in India is very low as compared to global average, there is ample scope and opportunity for the Industry to grow substantially over a period.

Weaknesses:

Lack of availability of pulpwood at globally competitive prices and high energy prices, and higher cost of capital, are some of the major weaknesses of the Industry.

Opportunities:

A growing economy, rapidly expanding e-commerce sector, aspirations of a young population provide an enabling environment for growth of the Paper Industry.

Threats:

In the last seven years, imports of paper and paperboard have risen at a CAGR of 16%. Free Trade Agreements with Countries which have favourable policies for pulpwood Plantations and economic fuel prices is a serious threat to the Industry. There is an urgent need to review these FTAs to provide a level playing field to the local Industry.

SOCIAL FARM FORESTRY

Your company has further enhanced tree plantation program under social farm forestry. Approximately 357 lacs seedlings were planted and distributed during the year under the program. We have added an area of 18,911 hectares under the plantations making a total coverage of 1,57,102 hectares. The program helps in enhancing rural income and facilitate sustained availability of raw material to the Mill.

RISKS & CONCERN

Risk is inseparable from the business. Higher wood and energy costs, adverse Govt. policies, Environmental issues and Market risks are some of the concerns associated with the company's operations. The company regularly identifies these risks and undertakes initiatives to mitigate impact by taking appropriate steps.

INTERNAL CONTROL SYSTEM

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

- a) Accurate recording of transactions with internal checks and prompt reporting.
- b) Adherence to applicable accounting standards.
- c) Periodic review to effectively manage working capital.
- d) Review of capital investments and long term business plans.
- e) Compliance with applicable statutes, policies and listing regulations.
- f) Effective use of resources and safety of assets.

FINANCIAL PERFORMANCE

The company reported satisfactory financial and operational performance for the year 2018-19 amid various challenges and constraints.

HUMAN RESOURCES

Human resource development programs are linked with organizational needs and performance. Your company recognizes human resource as its invaluable asset. There are regular activities/ development programs for enhancing skills/competencies of the work-force at all levels. Industrial relations remain cordial throughout the year under review. There are 512 employees on the company's roll.

FUTURE OUTLOOK

Paper has a range of applications virtually in every sphere of life and economic activity. Paper industry in India is therefor expected to grow in line with rest of the economy. Even though faced with seceral constraints highlighted above, given proper Policy support, there is ample opportunities for the Industry to grow and prosper.

FORWARD LOOKING STATEMENTS

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



DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors of your company is pleased to present the Directors' Report together with Audited Financial Results of the company for the year ended 31st March, 2019.

1. FINANCIAL HIGHLIGHTS

Audited financial results for the year ended 31st March, 2019 are summarised below:

AUDITED FINANCIAL RESULTS

(₹ in Cr.)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit before interest and depreciation	56.57	77.32
Interest and finance charges	0.65	1.05
Depreciation	4.39	4.07
Profit before Exceptional Items	51.53	72.20
Exceptional & non-recurring items	-	-
Profit before tax	51.53	72.20
Provision for Income Tax	(1.66)	17.94
Profit after tax (PAT)	53.19	54.26
Earning per share (EPS)- in Rupees	34.08	34.76

2. DIVIDEND & TRANSFER TO RESERVES

Considering performance of the company for the year 2018-19, your Directors are pleased to recommend a dividend of Rs. 2.50/- per equity share (25%) subject to approval of the Shareholders at the ensuing Annual General Meeting of the company. No amount of profits for the year is carried to General Reserve.

3. STATE OF THE COMPANY AFFAIRS

Review of operations 2018-19

Production, Sales-volume and Sales-realization for the year further improved due to favourable market conditions, product-mix optimization and Export-demand. This was however offset by unabated escalation in wood prices and increase in energy cost following ban on industrial use of pet-coke and furnace oil which emerged as factors which impacted bottom-line of the company for the year.

Considering the cost escalation, Your company reported satisfactory financial performance for the year 2018-19. Profit after tax for the year stood at Rs. 53.19 Crores vis-a-vis Rs. 54.26 Crores for FY 2017-18.

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

Expectations for the year 2019-20:

Constant increase in raw material and fuel prices would impact the company in the near term. Challenges such as increased imports from ASEAN under FTAs, intense competition, Government policies, higher input costs etc may affect the business.

4. ANNUAL-RETURN EXTRACTS

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

5. BOARD MEETINGS/AUDIT COMMITTEE

- During the financial year 2018-19 four (4) meetings of the Board of Directors were held on 21st May, 2018, 13th Aug., 2018, 14th Nov., 2018 and 8th Feb., 2019.
- Audit & Risk Management Committee-

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

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of the Annual Report for 2018-19.

7. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

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

8. ENVIRONMENT, POLLUTION CONTROL AND SAFETY

Your company is committed to provide safe working conditions and healthy environment to all its stakeholders. Your company is accredited with ISO 9001 : 2015, ISO 14001: 2015, and ISO 18001 :2007 which signifies adoption of integrated quality, environment and safety management systems to harmonize Industrial activities with environmental preservation with letter and spirit. The company has requisite environmental consents from the Government authorities.

Your company has been awarded the following awards during the year 2018-19:

- I) Gold Award in paper sector for outstanding achievement in Environment management by Greentech Foundation in its 18th Annual Environmental Award-2018.
- II) Platinum Award in paper sector for outstanding achievement in Environment management by Apex India in its Environment Excellence Award-2018

9. SOCIAL FARM FORESTRY

Your company has been promoting and encouraging tree plantation program under Social Farm Forestry. The program helps in enhancing rural incomes and facilitates sustain availability of raw material to the company. The scheme involves supply of high quality clones/seedlings apart from providing technical assistance to the farmers. The company further stepped-up propagation and distribution of clonal plants and the area coverage during the year.

10. FIXED DEPOSITS

The company has not invited any fixed deposits during the year and as such there has been no default in repayment of deposit or payment of interest thereon during the year. There were no outstanding fixed deposits as on 31st March, 2019. (Rs. Nil as on 31st March, 2018).

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

11. INTERNAL CONTROLS

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

12. REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your company adopted a policy on Corporate Social Responsibility (CSR) to fulfill its obligation towards the society. The CSR Policy may be accessed on the company's website at <http://www.starpapers.com>. The key philosophy of the Company's CSR initiative is to promote development through social and economic transformation. The composition of Committee is mentioned in the Corporate Governance Report.

The Report on CSR activities undertaken during the year 2018-19 is annexed herewith marked as **Annexure II**.

13. DIRECTORS/KEY MANAGERIAL PERSONNEL

- i) Pursuant to Section 152 of the Companies Act, 2013, Mr. Shrivardhan Goenka (DIN-00030375) shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his appointment.
- ii) Mr. Sunil Srivastav (DIN-00237561) was appointed as Additional director (Independent) of the company w.e.f. 14th Nov., 2018.
- iii) Pursuant to newly inserted Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Amendment Regulations, 2018, the shareholders have approved by passing of three special resolutions through postal ballot on 11th April, 2019 to continue directorship of Mr. Shiromani Sharma (DIN00014619), Mr. Chander Mohan Vasudev (DIN 00143885) and Mr. Michael Philip Pinto (DIN 00021565) who had attained the age 75 years, upto 27th Sept., 2019, being the date of expiry of their current term of office. Further, the Board has recommended to the shareholders to re-appoint them as Independent Directors for another term of five consecutive years.
- iv) Mr. G.P. Goenka (DIN:00030302) and Ms. Savita Laxmipathy Acharya (DIN: 07038198) have resigned from the position of 'Executive Chairman' and Independent director respectively w.e.f 29th May, 2019. The Board placed on record its appreciation for the valuable contributions made by Mr. Goenka & Ms. Acharya during their respective tenures.
- v) The Board of Directors has re-appointed Mr. Madhukar Mishra (DIN-00096112) as Managing Director of the company w.e.f. 1st July, 2019 for a period of three (3) years subject to approval of the shareholders at the ensuing AGM.
- vi) Mr. P.K. Agrawal, Chief Financial Officer (CFO) retired from the services of the company on attaining the age of superannuation and continued as CFO on retainership basis upto 31.05.2019. The Board of Directors has designated Mr. Sandeep Kumar Rastogi as new Chief Financial Officer (CFO) of the company w.e.f 1st June, 2019



The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The company's familiarization program for Independent Directors is posted on the website of the company and can be accessed at http://www.starpapers.com/familiarisation_prog.pdf.

14. NOMINATION AND REMUNERATION COMMITTEE/POLICY

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

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

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

The Committee will recommend the remuneration to be paid to Directors/KMP etc requiring Committee approval as per statutory provisions. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate the appointee(s). Nomination and Remuneration Policy of the company can be accessed from the company website -www.starpapers.com.

15. LOAN, GUARANTEE, INVESTMENTS ETC.

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

16. SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

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

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

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

18. PARTICULARS OF EMPLOYEES AND REMUNERATION

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

i) Name of the employees who are in receipt of remuneration of Rs. 102 lacs or more during the FY 2018-19:

Sr.	Name & Designation	Remuneration* recd.-(in lacs)	Nature of employment	Qualification & experience	Date of commencement of employment	Age	Last employment held	% of equity shares held	Whether relative to director
1	Mr. G.P Goenka, Executive Chairman	269.19	Contractual	B. Sc., 57 years	20/05/2015	78 Y	Executive Director- Duncan Industries Ltd.	Nil	Yes, Father of Mr. Shrivardhan Goenka
2	Mr. Madhukar Mishra, Managing Director	216.10	-do-	B. Sc., DMS (Mgt.) 40 years	01/07/2001	62 Y	Sr. VP(Corporate Planning) -Dail Consultants Ltd.	Nil	No

*including employer's provident fund contribution.

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

Director	Director remuneration (DR) - ₹	Median remuneration (MR) of employee - ₹	Ratio (DR/MR)
Mr. G.P. Goenka	2,69,19,185	2,80,577	95.94
Mr. Shrivardhan Goenka	80,000	2,80,577	0.29
Mr. Shiromani Sharma	2,80,000	2,80,577	0.99
Mr. C.M. Vasudev	1,60,000	2,80,577	0.57
Mr. M.P. Pinto	1,20,000	2,80,577	0.43
Ms. Savita L. Acharya	1,80,000	2,80,577	0.64
Mr. Sunil Srivastav	60,000	2,80,577	0.21
Mr. Madhukar Mishra	2,16,10,274	2,80,577	77.02

- b) % increase in remuneration of each director, CEO, CFO, CS in the financial year 2018-19

Official Name	Year 2018-19 Remuneration- ₹ In lacs	% increase in remuneration
Directors	Directors are receiving only sitting fees for attending meetings.	
Executive Chairman	269.09	14%
Managing Director	216.10	3%
Chief Financial Officer*	28.06	Nil
Company Secretary	10.85	1%

*Retired on 29-01-19 and continued as CFO upto 31st May, 2019 on retainership basis.

- c) % increase in median remuneration of employees in the financial year 2018-19 was: Nil.
- d) Number of permanent employees on the rolls of the company as on 31.03.19 was 512.
- e) Average increase in remuneration inter-alia depends upon the inflation, individual's performance, company policy, human resource demand-supply position, negotiations with trade unions, company performance etc.
- f) Average percentage increase in salaries of employees vis-a-vis managerial personnel - Average percentage increase in salaries of employees was 3% vis-a-vis 6% increase in salary of managerial personnel for FY 2018-19
- g) No director is getting any variable component of remuneration except commission to Executive Chairman and performance pay to the Managing Director are decided by the Board of Directors every year based on performance of the company, terms of appointment and applicable statutory provision. Remuneration is paid as per remuneration policy of the company.

19. PERFORMANCE EVALUATION

The company has a Policy on Nomination & Remuneration and Evaluation of directors etc. The Board of Directors evaluates its own performance, that of Committee(s) and individual director(s) on annual basis in the manner envisaged by the Nomination & Remuneration Committee (NRC) of the Board. Nomination & Remuneration Committee (NRC) also ensures that evaluation process is carried out by the Board every year as per the prescribed method.

20. HUMAN RESOURCES AND WELFARE

Your company has a structured approach to manage its human resources in line with changing needs of the organisation. Industrial relations remained harmonious during the year.

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

21. DIRECTORS' RESPONSIBILITY STATEMENT

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

22. CORPORATE GOVERNANCE

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



23. AUDITORS

The members at its 78th Annual General Meeting held on 14th Sept., 2017 appointed M/s Jain Pramod Jain & Co., Chartered Accountants, New Delhi as statutory auditors of the company to hold office from till the conclusion of 83rd AGM of the company.

24. COST AUDITORS

Pursuant to Section 148(3) of the Companies Act, 2013 read with the Rules made thereunder, the Board of Directors on the recommendation of Audit & Risk Management Committee has appointed M/s K.B. Saxena & Associates, Cost Accountants, as the Cost Auditors of the Company for the financial year 2018-19.

25. AUDITORS' REPORT

i) Statutory Audit:

The observations of the auditors read with relevant notes on the financial statements are self-explanatory.

ii) Secretarial Audit:

M/s D. Dutt & Co., company secretary in practice, secretarial auditor of the company has done secretarial audit for FY 2018-19. Secretarial audit report is attached as **Annexure-VI**. The observations of the secretarial auditor in the report are self-explanatory.

26. TRANSACTIONS WITH RELATED PARTIES

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

27. RISK MANAGEMENT

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

28. LISTING ON STOCK EXCHANGES

Your company's equity shares are listed on National Stock Exchange of India Ltd. (NSE) and The Stock Exchange, Mumbai (BSE). The company has paid the listing fees to the stock exchanges for the financial year 2018-19.

29. ACKNOWLEDGEMENT

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

For and on behalf of the Board

Place : New Delhi
Date : 29th May, 2019

Shiromani Sharma
Chairman

ANNEXURE-I**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2019

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SI. No.	Name and description of main products/services	NIC code of Product	% of total turnover of the company
1	Paper	170-Manufacture of paper and paper products	96.51%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SI. No.	Name and address of the company	CIN	Holding/Subsidiary/Associate	% of share held	Applicable section
1	ISG Traders Ltd.	L51909WB1943PLC011567	STAR is associate of ISG Traders Ltd.	32.21% -shares in STAR held by ISG Traders Ltd.	2(6)

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

- i) Category-wise Share Holding as per Attachment -A
- ii) Shareholding of Promoters as per Attachment-B
- iii) Change in Promoters' Shareholding as per Attachment-C
- iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as per Attachment-D
- v) Shareholding of Directors and Key Managerial Personnel As per Attachment-E

V. INDEBTEDNESS

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -as per Attachment G.**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES** -There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.



ATTACHMENT-A

i) Category-wise shareholding

Category Code	Category Of Shareholder	No. of shares held at the beginning of the year-as on 01.04.2018				No. of shares held at the end of the year -as on 31.03.2019				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	45500	0	45500	0.29%	45500	0	45500	0.29%	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00%	0	0	0	0	0.00
(c)	Bodies Corporate	7140644	300	7140944	45.75%	7064644	300	7064944	45.26%	-0.49%
(d)	Financial Institutions / Banks	0	0	0	0.00%	0	0	0	0.00%	0.00
(e)	Others	0	0	0	0.00%	0	0	0	0.00%	0.00
	Sub-Total A(1) :	7186144	300	7186444	46.04%	7110144	300	7110444	45.55%	-0.49%
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0		0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0		0	0	0	0.00	0.00
(c)	Institutions	0	0	0		0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0		0	0	0	0.00	0.00
(e)	Others	0	0	0		0	0	0	0.00	0.00
	Sub-Total A(2) :	0	0	0		0	0	0	0.00	0.00
	Total A=A(1)+A(2)	7186144	300	7186444	46.04%	7110144	300	7110444	45.55%	-0.49%
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds	0	100	100	0.00%	0	0	0	0	0
(b)	Financial Institutions /Banks	44368	1220	45588	0.29%	50085	1320	51405	0.33%	0.04%
(c)	Central Government / State Government(s)	0	0	0	0.00%	0	0	0	0.00%	0
(d)	Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0
(e)	Insurance Companies	250	300	550	0.00%	250	300	550	0.00%	0
(f)	Foreign Institutional Investors	0	0	0	0.00%	0	0	0	0.00%	0
(g)	Foreign Venture Capital Investors	0	0	0	0.00%	0	0	0	0.00%	0
(h)	Foreign Portfolio Investor	286622	0	286622	1.84%	30000	0	30000	0.19%	-1.65%
	Sub-Total B(1) :	331240	1620	332860	2.13%	80335	1620	81955	0.52%	-1.61%
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	979712	2807	982519	6.29%	1091715	2200	1093915	7.01%	0.71%
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.2 lacs	4172787	124763	4297550	27.53%	4902898	99464	5002362	32.05%	4.52%
	(ii) Individuals holding nominal share capital in excess of Rs. 2 lacs	2510258	0	2510258	16.08%	2041362	0	2041362	13.08%	-3.00%
(c)	Others:									
	Clearing members	60222	0	60222	0.39%	76471	0	76471	0.49%	0.10%
	Non Resident Indians	161947	0	161947	1.03%	113905	0	113905	0.73%	-0.31%
	IEPF	62050	0	62050	0.40%	87936	0	87936	0.56%	0.17%
	NBFC registered with RBI	14500	0	14500	0.09%	0	0	0	0.00%	-0.09%
	Sub-Total B(2) :	7961476	127570	8089046	51.82%	8314287	101664	8415951	53.92%	2.10%
	Total B=B(1)+B(2) :	8292716	129190	8421906	53.95%	8394622	103284	8497906	54.44%	0.49%
	Total (A+B) :	15478860	129490	15608350	100.00%	15504766	103584	15608350	100.00%	0.00%
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(2)	Public	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A+B+C) :	15478860	129490	15608350	100.00%	15504766	103584	15608350	100.00%	0.00

ATTACHMENT-B**ii) Shareholding of Promoters**

Sr. No.	Shareholders' name	Shareholding at beginning of the year-01.04.2018			Shareholding at the end of the year-31.03.2019			
		No. of Shares held	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares held	% of total shares of the company	% of shares pledged/ encumbered to total shares	% change in shareholding during the year
1	ISG TRADERS LIMITED	5104744	32.71	18.00	5028744	32.21	22.64	-0.49
2	ALBERT TRADING COMPANY PRIVATE LIMITED	905200	5.80	0	905200	5.80	0	0.00
3	SILENT VALLEY INVESTMENTS LIMITED	621000	3.98	1.12	621000	3.98	1.12	0.00
4	CONTINUOUS FORMS (CALCUTTA) LTD	510000	3.27	3.20	510000	3.27	3.20	0.00
5	SHRIVARDHAN GOENKA	45500	0.29	0	45500	0.29	0	0.00
	Total	7186444	46.04	22.32	7110444	45.55	26.96	-0.49

ATTACHMENT-C**lii) Change in Promoters' shareholding**

Sr. No.		Shareholding at beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	7186444	46.04	7186444	46.04
2	(-) Pledged shares invoked by the Pledgee on 27.09.2018	-27000	-0.17	7159444	45.87
3	(-) Pledged shares invoked by the Pledgee on 29.03.2019	-49000	-0.31	7110444	45.56
4	At the end of the year	7110444	45.56	7110444	45.56

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

Sr. No.	Top 10 Shareholders*	Shareholding at beginning of the year-01.04.2018		Cumulative Shareholding at the end of the year 31.03.2019	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Kanta Chhajer	337302	2.16%	402764	2.58%
2	Anil Kumar Goel	309000	1.98%	309000	1.98%
3	Abhay Krishi Udyog Private Limited	239523	1.53%	239523	1.53%
4	Santosh Sitaram Goenka	222086	1.42%	204433	1.31%
5	Globe Capital Market Limited	19552	0.13%	195379	1.25%
6	Sunita Santosh Goenka	260503	1.67%	188479	1.21%
7	Seema Goel	153000	0.98%	153000	0.98%
8	Supriya Punit Agarwal	203325	1.30%	145897	0.93%
9	Muktalil Ganulal Paldiwal	130037	0.83%	136927	0.88%
10	IEPF	62050	0.40%	87936	0.56%

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

**ATTACHMENT-E****(v) Shareholding of Directors and Key Managerial Personnel (KMP)**

Sr. No	Name of Director/KMP	Shareholding at beginning of the year-01.04.2018		Cumulative Shareholding at the end of the year 31.03.2019	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mr. Shrivardhan Goenka-Director	45500	0.29%	45500	0.29%

Note-There is no change in Director's Shareholding between 01.04.2018 to 31.03.2019

ATTACHMENT-F**V. INDEBTEDNESS**

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

₹ In lacs

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.18				
i. Principal Amount	0	153.24	-	153.24
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	219.39	-	219.39
Total (i+ii+iii)	0	372.63	-	372.63
Change in indebtedness during the financial year				
-Addition	140.71	3.75	-	144.46
-Reduction	0	-296.61	-	-296.61
Net Change	140.71	-292.86	-	-152.15
Indebtedness at the end of the financial year 31.03.19				
i. Principal Amount	140.71	0	-	140.71
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	79.77	-	79.77
Total (i+ii+iii)	140.71	79.77	-	220.48

ATTACHMENT-G**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

₹ In lacs

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amt.
		Mr. G.P. Goenka, Executive Chairman	Mr. Madhukar Mishra, Managing Director	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	117.18	203.88	321.06
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	7.22	6.89	14.11
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission-- as % of profit	135.00	-	135.00
5	Others	9.79	5.33	15.12
	Total	269.19	216.10	485.29
	Ceiling as per the Act	5% of net profits as per Sec. 198 of the Companies Act, 2013	5% of net profits as per Sec. 198 of the Companies Act, 2013	

b. Remuneration to other directors :

Independent Directors and non-executive directors are only paid sitting fees for attending Board /committee meetings. Kindly refer 'Corporate Governance Report' for details of sitting fees paid to Independent Directors and non-executive directors during the FY 2018-19.

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

₹ In lacs

Sr. No.	Particulars of Remuneration	Mr. P.K. Agrawal-Chief Financial Officer	Mr. Saurabh Arora-Company Secretary
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	25.93	10.15
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1.21	0.29
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission-as % of profit	-	-
5	Others	0.92	0.41
	Total	28.06	10.85

For and on behalf of the Board

Place : New Delhi
Date : 29th May, 2019

Shiromani Sharma
Chairman



ANNEXURE II

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19

- | | |
|--|---|
| 1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the Policy and projects or programs and the composition of CSR Committee. | Please refer to Section Corporate Social Responsibility (CSR) in the Directors' Report. |
| 2. Average net profit of the Company for last three financial years | Rs. 5369 lacs |
| 3. Prescribed CSR Expenditure (two percent of the amount mentioned in item 2 above) | Rs. 107.38 lacs |
| 4. Details of CSR spent during the financial year: | |
| -Total amount spent for the financial year | Rs. 110.98 lacs |
| -Amount unspent, if any | Not Applicable |
| -Manner in which the amount spent during the financial year | Details given below |

DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2018-19

Sr.	CSR project or activity identified	Sector in which Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and District where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount outlay (budget) project or program wise Sub heads (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing Agency
1.	Donation to Charitable edcation Society working towards proing education, research and development.	Promoting education, including special education	Delhi-NCR	Rs. 25.00 lacs	Rs. 25.00 lacs	Rs. 25.00 lacs	Direct
2.	Donation to Educational Trust providing educational assistance to less privileged class of society	-do-	Delhi-NCR	Rs. 40.00 lacs	Rs. 40.00 lacs	Rs. 40.00 lacs	Direct
3.	Installation of Solar LED street ligh/ Promotion on Environment day	Ensuring environmental sustainability/ ecological balance	Saharanpur	Rs. 20.84 lacs	Rs. 20.84 lacs	Rs. 20.84 lacs	Direct
4.	Donation to School/ College and towards scholarship to students	Promoting education, including special education	Saharanpur	Rs. 1.33 lacs	Rs. 1.33 lacs	Rs. 1.33 lacs	Direct
5.	Installation of Hand pumps for sourcing water & provision of 2 nos. of RO-Water purifier	Promotion of sanitation and making available safe drinking water	Saharanpur	Rs. 16.29 lacs	Rs. 16.29 lacs	Rs. 16.29 lacs	Direct
6.	Various Health Camps & awareness towards health	Preventive Health care	Saharanpur	Rs.0. 85 lac	Rs.0. 85 lac	Rs.0. 85 lac	Direct
7.	Distribution of Sewing machine to women/vocational courses	Promoting employment enhancing vocation skills among women	Saharanpur	Rs. 1.58 lacs	Rs. 1.58 lacs	Rs. 1.58 lacs	Direct
8.	Distribution of blankets/Tricycle/ donation towards welfare of underprivilefd people	Measure to reduce inequalities faced by economically backward people	Saharanpur	Rs. 5.09 lacs	Rs. 5.09 lacs	Rs. 5.09 lacs	Direct

Responsibility Statement:

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

Madhukar Mishra
Managing Director
Date : 29th May, 2019

Shrivardhan Goenka
Chairman, CSR Committee

ANNEXURE-III

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

A. PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

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

- a) Installation of VFDs in Lime kiln and Gassifier plant.
- b) Individual steam traps provided in Paper machine heater batteries resulted in steam saving.
- c) Paper machine back pressure control valve connected to flash steam tank for steam saving.
- d) Replacement of conventional lights with LEDs for power saving
- e) Usage of 40 psi steam in place of 80 psi steam in Paper machine MG Cylinder which resulted in steam saving.
- f) Installation of Micro Plate Settler on Paper machine to reduce fresh water consumption and fiber saving.

II. Additional investments & proposals being implemented for reduction in consumption of energy :

- a) Replacement of Old VFDs.
- b) Modification in Chemical recovery boiler firing system to increase steam temperature which resulted in steam saving.
- c) Digester Blow line size optimized which resulted in steam saving.

III. The above projects given in 'I.' above involved a cost of approximately Rs. 50 lacs. Impacts of aforesaid measures are as under:

Reduction in energy consumption and thus energy costs.

IV. Steps taken for utilizing alternate sources of energy :

Successful running of Bio-gassification plant replacing 100% LSHS with bio-gas for the Lime-kiln.

B. TECHNOLOGY ABSORPTION:

I) Research and Development (R&D)

Department of Science and Industrial Research (DSIR), Ministry of Science and Technology, Government of India recognizes our in-house Research & Development (R&D) Department. Your company has undertaken the following R & D activities during the FY 2018-19:

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

- a) Development of new product varieties.
- b) Evaluation of new species of fibrous raw material.

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

- a) Potential to explore new market segment.
- b) Improvement in the quality of existing products and cost reduction.
- c) Reduction in fresh water consumption.

3. Future Plan of Action

- a) Development of new grades of Industrial paper.
- b) Further optimization of water consumption to reduce fresh water consumption.



4. Expenditure on R&D-	Rs. in lacs
a) Capital	1.81
b) Revenue	67.68
c) Total	69.49
d) R&D Expenditure as a percentage of total Turnover	0.18

II) Technology absorption, adaptation & innovation

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

-Installation of 3 nos. of Piezometers for continuous monitoring of ground water level.

III) Information related to imported technology :

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings -	Rs. 814.46 lacs
Outgo-	Rs. 308.26 lacs

For and on behalf of the Board

Shiromani Sharma
Chairman

Place : New Delhi

Date : 29th May , 2019

ANNEXURE-IV

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. In preparation of accounts, applicable accounting standards have been followed.
2. Such accounting policies as were reasonable and prudent were selected in preparing the accounts and these were applied consistently. Further judgements and estimates that were reasonable and prudent were also made in the course of preparing the accounts so as to give a true and fair view of the Company's state of the affairs as at the end of the financial year and its profit for financial year ended 31st March, 2019.
3. Proper and sufficient care was taken for the maintenance of proper accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
4. The accounts have been prepared on going concern basis.
5. The directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively.
6. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and with laid down internal financial controls to be followed by the company and such system are adequate and operating effectively.

For and on behalf of the Board

Shiromani Sharma
Chairman

Place : New Delhi

Date : 29th May , 2019

ANNEXURE-V

CORPORATE GOVERNANCE REPORT

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

The Directors of your company are pleased to present the Corporate Governance Report for the financial year ended 31st March , 2019.

I. Company's philosophy on Corporate Governance

Your Company's corporate governance philosophy stems from the belief that Corporate Governance is a key element in ensuring transparency and accountability in every aspect as well as enhancing stakeholders' confidence in the organization. Your Company has continuously been endeavouring to infuse the philosophy of Corporate Governance in all its activities so as to conduct its affairs in such a way ensuring equality to all stakeholders concerned.

II. Board of Directors

The Board of Directors oversees all the functions of the company and ensures that it operates in best interest of the stakeholders.

(a) Composition

The composition of the Board of Directors is in conformity with SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 as amended from time to time .The Board of Directors has an optimum combination of Executive Directors and Independent Directors to maintain independence of the Board. In totality, the Board have Eight (8) directors including Executive Chairman and the Managing Director. The Board has four (4) Non-executive Independent directors including one Woman director, One (1) Additional (Independent) director and One (1) Non-executive, non-Independent director. The following is the composition of the Board of Directors as on 31st March , 2019

Director & DIN	Category of Director	Total No. of Directorships in Public limited companies (*)	Total No. of Memberships/ Chairmanships of Committees in Public limited companies (**)	Name of other listed entities in which the directorship held and category thereof
Executive Director				
Mr. G.P. Goenka**** DIN-00030302	Executive Chairman / Promoter	5	0	a) Duncans Industries Ltd.-Promoter Director b) Energy Development Co. Ltd.-Non executive director c) NRC Limited-Promoter Director d) Stone India Limited-Promoter Director
Mr. Madhukar Mishra DIN-00096112	Managing Director	1	1	Nil
Non - Executive Directors				
Mr. Shrivardhan Goenka DIN-00030375	Non-executive; non-independent Director	3	2	Nil
Mr. Shiromani Sharma DIN-00014619	Independent Director	3	4	a) LML Limited-Independent Director
Mr. C.M. Vasudev DIN-00143885	Independent Director	6	4	Nil
Mr. M.P. Pinto DIN-00021565	Independent Director	3	1	a) Ashoka Buidcon Ltd.-Independent Director
Ms. Savita Laxmipathy Acharya**** DIN-07038198	Independent Director	6	7	a) Duncans Industries Ltd.-Independent Director b) Unimers Limited- Independent director c) NRC Limited- Independent Director d) Stone India Limited- Independent Director
Mr. Sunil Srivastav*** DIN-00237561	Additional (Independent) Director	3	2	a) Eros International Media Ltd.-Independent Director b) Paisalo Digital Limited-Independent director

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

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

*** appointed as Additional Director of the company w.e.f 14th Nov., 2018.

****resigned from directoship of the Board w.e.f 29th May,2019 for personal reasons.

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



In the opinion of the Board, Independent Directors fulfill the conditions specified under SEBI (LODR) Regulations, 2015 and they are independent of the management .

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

(b) Meetings and Attendance

During the year ended 31st March, 2019, four (4) meetings of the Board of Directors were held on 21st May, 2018, 13th Aug., 2018, 14th Nov., 2018, 8th Feb., 2019.

Attendance of Directors at Board Meetings and Last Annual General Meeting

Director-Name	No. of Board Meetings attended	Attendance at last Annual General Meeting Yes /No	No. of shares held in the company
Mr. G.P. Goenka	4	Yes	Nil
Mr. Shiromani Sharma	4	Yes	Nil
Mr. S.V. Goenka	2	Yes	45,500
Mr. C.M. Vasudev	3	No	Nil
Mr. M.P. Pinto	4	Yes	Nil
Ms. Savita Laxmipathy Acharya	4	Yes	Nil
Mr. Sunil Srivastav	2	N.A	Nil
Mr. Madhukar Mishra	4	Yes	Nil

A meeting of Independent Directors were held on 8th Feb., 2019 for the financial year 2018-19. All Independent Directors were present at the meeting.

(c) Skills/expertise/competencies of the Board of Director etc.

The Board of Directors possess the following skills/expertise/competencies that have been identified by the Board as required in the context of company's business:

Skills/expertise/competencies identified by the Board
Knowledge of Paper Industry
Corporate planning and strategy, General Management
Operational and Financial Management
Corporate Governance

III. Code of Conduct

A code of Conduct for all its Board members and senior management personnel for avoidance of conflict of interest has been laid down and is available on the company's website. Necessary declarations affirming compliance have been received for the financial year ended on 31st March, 2019. There were no material personal interest/personal benefits received by the Board members/senior management personnel, which could lead to potential conflict of interest with the Company as a result of their position.

IV. Committees of the Board

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

(a) Audit & Risk Management Committee

There is 'Audit & Risk Management Committee' of the Board and its role and terms of reference are in conformity with Section 177 of the Companies Act, 2013 and SEBI Listing Regulations, 2015 as amended. Statutory auditors, Internal auditors and the Cost auditors are invited from time to time to the Committee meetings. Besides, the Committee assists the Board in overseeing and approving the company's risk management framework. The company secretary acts as the secretary to the Committee.

Composition

The composition of the Committee as on 31st March, 2019 is as under :

Sl. No	Name of the Director & Designation	Category	No. of meetings attended during FY 2018-19
1	Mr. Shiromani Sharma- Chairman	Non- executive, Independent	4
2	Mr. C.M Vasudev-Member	Non- executive, Independent	3
3	Mr. Shrivardhan Goenka-Member	Non- executive, non-Independent	2
4	Ms. Savita Laxmipathy Acharya - Member	Non- executive, Independent	4

During the financial year ended 31st March, 2018, four (4) Committee meetings were held on 21st May, 2018, 13th Aug., 2018, 14th Nov., 2018, 8th Feb., 2019.

(b) Stakeholders' Relationship Committee

Pursuant to Section 178 of the Companies Act, 2013 and SEBI Listing Regulations, 2015 as amended, the Stakeholders' Relationship Committee redresses shareholder/ investor grievances like non-receipt of Annual Report, dividend etc., approves transfer/ transmission/ sub-division/ consolidation of shares, issue of duplicate share certificate, de-materialization/re-materialization of shares etc. The company secretary acts as the secretary to the committee.

Composition

The composition of the Committee and details of its meeting(s) for the FY 2018-19 are as under :

Sl. No	Name of the Director & Designation	Category	No. of meetings held/ attended during FY 2018-19
1.	Mr. Shiromani Sharma - Chairman	Non- Executive, Independent	4
2.	Mr. Madhukar Mishra-Member	Executive	4
3	Mr. Shrivardhan Goenka-Member*	Non- Executive, Non-Independent	0

*appointed as a member of the Committee w.e.f 8th Feb., 2019.

Mr. Saurabh Arora, Company Secretary, is the compliance officer of the company.

During the financial year ended 31st March, 2019, four (4) Stakeholders' Relationship Committee meetings were held on 21st May, 2018, 13th Aug., 2018, 14th Nov., 2018, 8th Feb., 2019.

Shareholders Complaint(s)

During the year, Twenty three (23) Investor complaints were received and all the complaints were resolved to their satisfaction. There is no pending complaint at the end of the year.

(c) Nomination & Remuneration Committee

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

Composition

The composition of Nomination & Remuneration Committee and details of its meeting(s) held during the FY 2018-19 are as under :

Sl. No	Name of the Director & Designation	Category	No of meetings held during the year 2018-19	
			Held	Attended
1	Mr. C.M. Vasudev- Chairman	Non- Executive, Independent	1	1
2	Mr. Shiromani Sharma - Member	-do-	1	1
3	Mr. M.P. Pinto-Member	-do-	1	1

During the financial year ended 31st March, 2019, one meeting of Nomination & Remuneration Committee was held on 21st May, 2018.

(d) Corporate Social Responsibility (CSR) Committee

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

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



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

No CSR Committee meeting was held during the year.

V. Remuneration of Directors

Remuneration-package of Executive Director(s) is determined and recommended by the remuneration committee and approved by the Board of Directors and the shareholders. Remuneration of Non-Executive Directors is restricted to sitting fees for attending meetings of the Board and sub-committees of the Board.

The details of remuneration of the directors for the financial year ended 31st March, 2019 are as under:

Director	Salary#	Perquisites and other benefits##	Sitting Fees	Total
Mr. G.P. Goenka	2,31,17,742	38,01,443	-	2,69,19,185
Mr. Shiromani Sharma	-	-	2,80,000	2,80,000
Mr. S.V. Goenka	-	-	80,000	80,000
Mr. C.M. Vasudev	-	-	1,60,000	1,60,000
Mr. M.P. Pinto	-	-	1,20,000	1,20,000
Ms. Savita L. Acharya	-	-	1,80,000	1,80,000
Mr. Sunil Srivastav	-	-	60,000	60,000
Mr. M. Mishra	1,96,63,000	19,47,274	-	2,16,10,274
Total			8,80,000	4,94,09,459

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

Perquisites and other benefits include company's contribution to Provident Fund but exclude contribution to Gratuity Fund. None of the directors except Mr. S.V Goenka (45,500 equity shares) holds any shares in the company. Except above, no non-executive director had any pecuniary relationship or transactions with the company.

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

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

There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors. Statutory provisions however will apply in case of severance of service. The appointments are terminable by six months' notice from either side. The company has not given any stock option scheme to the directors/employees.

VI. The company has no subsidiary or holding company.

VII. Disclosures

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

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

The Chief Executive Officer and Chief Financial Officer have given requisite compliance certificate on financial statements and the cash flow statement for the year ended 31st March, 2019.

-Particulars of directors seeking appointment/re-appointment at the AGM have been given in Notice of the AGM to be held on 19th Sept., 2019.

VIII. Means of communication

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

IX. Shareholder Information

80TH AGM Details:

Date	Venue	Book Closure Dates	Time
19 th Sept., 2019	'KalaKunj' (Kalamandir basement), 48, Shakespeare Sarani, Kolkata 700 017	12-09-19 to 19-09-19	10:30 AM

Registrar & Share Transfer Agents:

The Company's Registrar and Share Transfer Agent is Karvy fintech Pvt. Ltd.

Address for correspondence :

Karvy Fintech Pvt. Ltd.,

Karvy Selenium Tower B, Plot No 31 & 32,

Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 008.

Phone: 040-67161585

e-mail: einward.ris@karvy.com

The Shareholders holding shares in the electronic form should address their correspondence, except those relating to dividend, to their respective Depository Participants.

Transfer System

The Registrars and Share Transfer Agents process every fortnight requests for approving share transfers. The processing activities with respect to requests received for share transfer are completed within 7-10 days from the date of receipt of request. There were no shares pending for transfer as on 31st March, 2019.

Compliance certificate of the Auditors

-The company has obtained certificate from the statutory auditors certifying compliance of conditions of corporate governance as stipulated under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and the same is attached. Above certificate forms part of Annual Report for 2018-19 to be sent to stock exchanges.

-A certificate has been received from M/s D. Dutt & Co., Practising Company Secretaries, that none of the Directors on the Board of the Company expect *Mr. G.P. Goenka (DIN:00030302)* and *Ms. Savita L. Acharya (DIN:07038198)* has 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 statutory authority.

However, the disqualification of the above directors does not pertain to your company.

Dematerialization of Shares and Liquidity

The shares of the Company can be traded in dematerialized form with both NSDL (National Securities Depository Ltd.) and CDSL (Central Depository Services (India) Ltd.)

As on 31st March, 2019, a total of 1,55,04,766 shares of the Company, which form 99.34% of the share capital, stand dematerialized. The processing activities with respect to the requests received for de-materialization are completed within 3-5 days from the date of receipt of request.

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

Distribution of Shareholding as on 31st March, 2019.

Slab-Shs.	No. of Shareholders	Total % of shareholders	No. of Shareholders	% to share capital
1-500	14927	88.14	1781617	11.41
501-1000	1007	5.95	808128	5.18
1001-2000	483	2.85	738906	4.73
2001-3000	198	1.17	508605	3.26
3001-4000	83	0.49	299775	1.92
4001-5000	63	0.37	297738	1.91
5001-10000	99	0.58	723197	4.63
10001 and above	76	0.45	10450384	66.96
Total	16936	100.00	15608350	100.00



Category of Shareholders as on 31st March, 2019.

Category	No. of Shares	% of Shareholding
Promoter Group	7110444	45.56
Financial Institutions/Banks/Insurance Companies	51405	0.33
Mutual Funds	0	0
Insurance Companies	550	0
Foreign Institutional Investors	30000	0.19
Non Resident Indian (NRI)	113905	0.73
Clearing Member (NSDL & CDSL)	76471	0.49
Public - Bodies Corporate	1093915	7.01
- Individuals	7043724	45.13
- Others	87936	0.56
Total	15608350	100.00

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

Month	NSE		BSE	
	High	Low	High	Low
2018				
April	241.30	200.65	240.80	202.00
May	228.85	175.70	228.85	176.00
June	186.75	151.45	187.00	150.05
July	191.00	146.00	190.85	146.35
August	234.20	160.15	234.00	160.50
September	223.70	153.65	223.55	155.00
October	178.00	147.85	178.20	148.70
November	192.50	150.65	193.00	150.40
December	179.90	150.70	178.00	150.00
2019				
January	161.35	118.00	161.00	117.95
February	133.00	98.00	132.50	97.60
March	146.80	106.85	146.25	106.00

Listing on stock exchanges

The Company's equity shares are listed with the Stock Exchange, Mumbai (BSE) and the National Stock Exchange of India Ltd. (NSE) under Stock Codes '516022' and 'STARPAPER' respectively, The Company has paid the requisite listing fees to the stock exchanges for the financial year 2018-19.

Registered Office :

Seth Baldeodas Bajoria Road,
Saharanpur 247 001,
Uttar Pradesh

Plant location :

Seth Baldeodas Bajoria Road,
Saharanpur 247 001,
Uttar Pradesh

Offices at :

i) 2nd Floor, Express Building,
9-10, B.S.Z Marg, New Delhi
110 008
ii) 23, Mauji Colony,
Malviya Nagar
Jaipur 302 017

Financial Calendar 2019-20

The next financial year of the Company is 1st April 2019 to 31st March 2020.

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

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

Details of Past Three Annual General Meetings

Year	Venue	Date & Time	Special resolutions passed (Y/N)
2017-18	Kala Kunj', 48, Shakespeare Sarani, Kolkata 700 017	13th Aug., 2018 10.30 A.M	Yes, i) Re-appointment of Mr. G.P. Goenka (DIN:00030302) as an Executive Director of the company;
2016-17	-As above-	14th Sept., 2017 11.30 A.M	Yes, i) To authorize the Board of Directors to vary or increase the remuneration of Mr. Madhukar Mishra (DIN:00096112), Managing Director of the company for his current appointment period i.e 1st July, 2016 to 30th June, 2019.
2015-16	-As above-	14th Sept., 2016 11.00 A.M	Yes, i) Re-appointment of Mr. Madhukar Mishra as Managing Director of the company; ii) Approval to pay remuneration to Mr. G.P. Goenka, Executive Chairman for the FY 2015-16 in excess of the limits prescribed by the Companies Act, 2013.

Credit rating

There was no revision of company's credit rating during the year.

Sexual Harassment of Women

During the financial year 2018-19, there was no case reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Details are as under:

-Number of complaints filed during the financial year	-NIL
-Number of complaints disposed-of during the financial year	-NIL
-Number of complaints pending as on end of the financial year	-NIL

Postal Ballot

-The Company had sought the approval of the shareholders by way of a special resolutions through notice of postal ballot dated Feb.,8, 2019 to continue directorship of Mr. Shiromani Sharma (DIN00014619), Mr. Chander Mohan Vasudev (DIN 00143885) and Mr. Michael Philip Pinto (DIN 00021565) who had attained the age 75 years, which were duly passed and the results thereof were announced on April 12, 2019 by M/s D. Dutt & Co., Practising Company Secretaries, who were appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Description of the resolution	Voting in favour of the resolution			Voting against the resolution			Invalid votes	
	No. of members who voted thru evoting & physical ballot forms	No. of valid votes (shares) cast	% of total number of valid votes	No. of members who voted thru evoting & physical ballot forms	No. of valid votes (shares) cast	% of total number of valid votes	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
Continuation of directorship of Mr. Shiromani Sharma	20	7162829	99.92%	6	5920	0.08%	0	0
Continuation of directorship of Mr. Shiromani Sharma	24	7168158	99.99%	3	601	0.01%	0	0
Continuation of directorship of Mr. M.P. Pinto	22	7162858	99.92%	5	5901	0.08%	0	0

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

Declaration of Managing Director under SEBI Listing Regulations, 2015.

I hereby declare that to the best of my knowledge & belief, all the members of the Board and the senior management personnel of the company have affirmed their respective compliance with the code of conduct of the company for the financial year ended 31st March, 2019.

Place: New Delhi
Date: 29th May, 2019

Madhukar Mishra
Managing Director



INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Star Paper Mills Limited

1. We have examined the compliance of regulations of Corporate Governance by Star Paper Mills Limited ('the Company') for the year ended March 31st 2019 as stipulated in regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors are also responsible for ensuring that the Company compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditors' Responsibility

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. 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.
7. The procedures selected depend on the auditors' judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our Scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing regulations, as applicable for the year ended March 31, 2019 referred to in paragraph 1 above.

Other matters and Restriction on Use

10. This Certificate in 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.
11. The Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other persons or for any other purpose. Accordingly, we do not accept or assume any liability or any duty or care or for any other purpose or to any other party to whom it is shown or into whose hand it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For JAIN PRAMOD JAIN & CO.
(Chartered Accountants)
ICAI Firm Registration No. 016746 N

Place New Delhi
Date: 29.05.2019

(P. K. JAIN)
Partner
Membership No. 010479

ANNEXURE-VI
FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019, subject to our observations made at Annexure - A below, 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 2019 according to the provisions of:

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

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

- (a) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- (b) Secretarial Standards (including revised Standards) issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013 with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2).

The Company complies with statutory Tax Audit requirement under section 44AB of the Income Tax Act, 1961 which is done by Tax Auditors and GST Audit requirement under respective State GST / CGST / IGST Laws by GST Auditors, wherever applicable. So we have not reviewed compliance of applicable Income Tax Laws / respective State GST / CGST / SGST Laws to the Company.

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

- (a) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings since the Company did not have any Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 since the Company has not made any issue of securities during the financial year;
- (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 since the company has not issued any shares or options to its Directors or other employees under the said Guidelines or Regulations and it has no such schemes / benefits;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 since the Company has not issued any Listed Debt Securities;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client since the company is not licensed to act as a Registrar and Share Transfer Agent;



- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 since the Company has neither delisted nor proposed to delist its equity shares from any Stock Exchange and
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 since the company has neither bought back nor proposed to buy back any of its listed securities;

Subject to our observations made at Annexure - A below, during the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines etc. mentioned above and has generally adhered to the secretarial standards.

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

We further report that:

- (a) Subject to our observations made at Annexure - A below, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice was given to all the directors to schedule the Board Meetings, agendas were sent at least seven days in advance and detailed notes on agenda were sent subsequently and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Views of the Directors on all important matters have been captured and recorded in the Minutes and majority decision is carried through. There has not been any dissent among the directors on any matter dealt with by the Board.

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

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

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

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

Date : 29.05.2019

Place : Kolkata

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

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

Annexure – A

Our observations on Secretarial Audit for the financial year ended 31st March, 2019:

a. Mr. Gouri Prasad Goenka [having DIN: 00030302] and Ms. Savita Laxmipathy Acharya [having DIN: 07038198] have been disqualified by the Registrar of Companies under section 164(2) of the Companies Act, 2013 for the period from 01.11.2017 to 31.10.2022. During the financial year, the Board of Directors was constituted including those two disqualified directors and the Audit & Risk Management Committee was constituted including one such disqualified director. Both of them, however, have resigned vide their separate letters dated 28.05.2019.

b. In view of disqualification under section 164(2), remuneration received by such Directors during the period of disqualification is recoverable subject to any approval for removal of disqualification granted by competent authority.

Annexure – B

To
The Members,
Star Paper Mills Limited

Our Secretarial Audit Report for the financial year ended 31st March, 2019 of even date is to be read along with this letter.

Management's Responsibility:

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

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances based on our audit.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.
4. We believe that the audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide us a basis of our opinion.

Disclaimer:

5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules, regulations, guidelines, standards and happening of events etc.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

Date : 29.05.2019

Place : Kolkata

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

ANNEXURE VII**FORM NO. AOC-2**

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

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

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

Place : New Delhi

Date : 29th May , 2019

Shiromani Sharma
Chairman



INDEPENDENT AUDITORS' REPORT

To the Members of STAR PAPER MILLS LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Star Paper Mills Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Emphasis of Matters

We draw attention to the following matters in the notes of the financial statement.

- a) In view of disqualification u/s 164(2) remuneration aggregating to Rs 441.10 lacs paid/ provided to two directors is recoverable subject to removal of disqualification granted by competent authority (Note No 32.5)
- b) Fair value of investment in ISG Traders Ltd. has been done as at 31.03.2018 and no effect has been taken for fair value as at 31.03.2019 (amount unascertained) (Note No 32.4)

Our opinion is not qualified 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibility for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statement. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key Audit Matters

1. Revenue Recognition

(as described in note 3.14 of the financial statements)

For the year ended March 31, 2019 the Company has recognized revenue from contracts with customers amounting to 37159.22 Lacs.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractual terms and conditions. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. Revenue is disclosed net of returns, incentives and returns, as applicable. Variable consideration includes volume discounts, price concessions, liquidity damages, incentives, etc.

Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.

2. Evaluation of contingent Liability of Income Tax

The Company has contingent Liability of Rs. 3912.78 Lacs (Note No. 39)

We have determined that there are no other key audit matter to communicate in each report

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2018-19, but does not include the Standalone Ind AS financial statements and our auditor's report thereon. Our opinion on the Standalone 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

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

In preparing the Standalone 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 Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Ind AS financial statements.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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

Auditors' Response

Principal Audit Procedures

- Assessed the Company's revenue recognition policy prepared as per Ind AS- 115 "Revenue from contracts with customers".
- Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition.
- Performed sample tests of individual sales transaction and traced to sales invoices, sales order and other related documents, further, in respect of the samples checked that the revenue has been recognized as per the shipping terms.
- To test cut off selected sample of sales transaction made pre- and post-year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods.
- Performed monthly analytical procedures of revenue by streams to identify any unusual trends.
- Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the financial statements; to ensure revenue from contracts with customer are in accordance with the requirements of relevant accounting standards.

Principal Audit Procedures

- We involved our Internal experts and they considered counsel opinion, legal precedence and other ruling in evaluating management's position to consider the same as contingent liability.



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 Standalone 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:

- Identify and assess the risks of material misstatement of the Standalone 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone 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 Standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A"-a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act except Mr. G.P. Goenka and Ms. Savita Laxmipathy Acharya.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/provided by the company to its Directors in accordance with the provisions of section 197 read with schedule V to the Act except recoverability of Rs. 441.10 Lacs as per Note No. 32.5.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Jain Pramod Jain & Co.

Chartered Accountants
(Firm Registration No. 016746N)

(P.K.Jain)

Partner
Membership No. 010479

Place: New Delhi

Date: 29.05.2019

Annexure 'A' to Independent Auditors' Report of Star Paper Mills Limited

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" 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) Fixed assets have been physically verified by the management according to the regular programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such verification;
- (c) The title deeds of immovable properties are held in the name of the company.
- ii. The inventories of the Company at all its locations (except stock in transit) have been physically verified by the management at reasonable intervals and the discrepancies which were noticed on physical verification of inventory as compared to book records were not material;
- iii. In respect of Inter-corporate deposit to a company, covered in the Register maintained under section 189 of the Act, there is regular recovery of interest and deposit is due on demand.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 with respect of loans, investments, guarantees and securities.
- v. The Company has not accepted any deposit from public.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima-facie, prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate and complete;
- vii. (a) According to the information and explanations and records of the Company, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues for a period of more than six months from the date they became payable as on 31st March, 2019;
- (b) According to the records and information and explanations given to us, there are no dues in respect of custom duty that have been deposited on account of any dispute. In our opinion and according to the information and explanations given to us, the dues in respect of income tax or sales tax or service tax or Goods and Service Tax or excise duty or value added tax that have not been deposited with the appropriate authority on account of dispute and the forum where the dispute is pending are given below:

Name of Statute	Nature of dues	Amount involved (Rs. in lacs)	Period to which it relates	Forum where matter is pending
The U.P Act, 2018	VAT	19.87	F.Y. 2010-2011 2011-2012	Additional Commissioner (Appeals)
	VAT	24.40	2009-2010	Tribunal
The Central Sales Tax Act, 1956	Sales Tax	406.00	1995-1996	Tribunal
The Central Excise Act	Excise Duty	4.84	2009-10 to 2011-12	CESTAT, Allahabad
UP Krishi Mandi Adiniyam, 1965	Interest on Mandi Tax	33.81	01.01.1993 to 31.12.2013	High Court

- viii. The Company has not defaulted in repayment of loans or borrowings to banks.
- ix. The Company did not raise any money by way of initial/further public offer (including debt instruments) and term loans taken during the year have been applied for the purpose for which they were obtained.
- x. Based upon the audit procedure performed and information and explanation given to us, we report that no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.



- xi. Managerial Remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule V of the Companies Act, 2013 except recoverability of Rs. 441.10 Lacs as per Note No. 32.5.
- xii. Provision of Nidhi Company is not applicable to the Company.
- xiii. According to the information and explanation give to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements, etc as required by the applicable accounting standard.
- xiv. The company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year under review.
- xv. The company has not entered into any non-cash transaction with Directors or persons connected with him.
- xvi. The company is not required to be registered under section 45-1A of the Reserve Bank of India Act 1934.

For Jain Pramod Jain & Co.
Chartered Accountants)
(FRN 016746 N)

(P. K. Jain)
Partner
M. No. 010479

Place: New Delhi
Date: 29.05.2019

Annexure 'B' to the Independent Auditors' Report of Even Date on the Standalone Financial Statement of Star Paper Mills Limited.

Report on the Internal Financial Controls under Clause (i) of sub –section 3 of section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of Star Paper Mills Limited as at March 31, 2019 in conjunction with our audit of the standalone 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 note on Audit of Internal Financial Controls of Internal control stated in the Guidance Note on Audit of "the 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 Guidance note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standard on Auditing, issued by ICAI prescribed under section 143 (10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the company has in all material respect, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 Jain Pramod Jain & Co.
Chartered Accountants
(Firm Registration No. 016746 N)

(P. K. Jain)
Partner
Membership No. 010479

Place: New Delhi
Date: 29.05.2019

**BALANCE SHEET AS AT MARCH 31, 2019**

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	1	41,046.81	40,512.92
(b) Capital work-in-progress		377.21	736.36
(c) Financial Assets			
(i) Investments	2	1,801.65	1,689.92
(ii) Other financial assets	3	223.32	234.02
(d) Other non-current assets	4	595.82	720.80
		<u>44,044.81</u>	<u>43,894.02</u>
Current Assets			
(a) Inventories	5	4,903.33	4,414.36
(b) Biological Assets other than bearer plants	6	5.41	27.72
(c) Financial Assets			
(i) Investments	7	6,318.38	6,157.31
(ii) Trade receivables	8	726.89	752.86
(iii) Cash and cash equivalents	9	39.55	282.64
(iv) Bank balances other than (iii) above	10	2,333.86	105.90
(v) Other financial assets	11	92.29	20.56
(d) Other current assets	12	<u>696.63</u>	<u>521.89</u>
(e) Asset held for sale	13	3.59	3.59
		<u>15,119.93</u>	<u>12,286.83</u>
Total Assets		<u>59,164.74</u>	<u>56,180.85</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	1,560.83	1,560.83
(b) Other Equity	15	<u>43,967.56</u>	<u>39,039.84</u>
		<u>45,528.39</u>	<u>40,600.67</u>
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	16	932.70	830.75
(b) Provisions	17	873.25	896.17
(c) Deferred tax liabilities (Net)	18	<u>6,760.08</u>	<u>7,932.26</u>
		<u>8,566.03</u>	<u>9,659.18</u>
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	140.71	153.24
(ii) Trade payables	20		
-Due to micro and small enterprises		278.96	126.15
-Due to others		3,663.46	4,034.80
(iii) Other financial liabilities	21	262.57	665.19
(b) Other current liabilities	22	447.00	502.44
(c) Provisions	23	<u>126.88</u>	<u>194.81</u>
(d) Current Tax Liabilities (Net)	24	<u>150.74</u>	<u>244.37</u>
		<u>5,070.32</u>	<u>5,921.00</u>
Total Equity and Liabilities		<u>59,164.74</u>	<u>56,180.85</u>

As per our report of even date
For Jain Pramod Jain & Co.

Chartered Accountants

(P.K. Jain)

Partner

On behalf of the Board,

Shiromani Sharma

C.M. Vasudev

M.P. Pinto

Sunil Srivastav

Directors

Place: New Delhi

Date : 29th May-2019

Saurabh Arora

Company Secretary

P.K. Agrawal

Chief Financial Officer

Madhukar Mishra

Managing Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note No.	(₹ in lakhs)	
		For the year ended March 31, 2019	For the year ended March 31, 2018
REVENUE FROM OPERATIONS			
Revenue From Operations	25	37,774.81	35,127.87
Other Income	26	727.90	504.46
Total Income (I)		<u>38,502.71</u>	<u>35,632.33</u>
EXPENSES			
Cost of materials consumed	27	13,587.86	11,174.08
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	62.31	(13.44)
Employee benefits expense	29	2,813.68	2,812.22
Finance costs	30	65.12	104.90
Depreciation and amortisation expense	31	438.82	407.02
Other expenses	32	16,381.62	13,927.28
Total Expenses (II)		<u>33,349.41</u>	<u>28,412.06</u>
Profit before tax (I-II)		<u>5,153.30</u>	<u>7,220.27</u>
Tax Expense:	33		
Current tax		1,696.00	1,722.59
Deferred tax		(1,862.19)	71.64
Profit for the year		<u>5,319.49</u>	<u>5,426.04</u>
Other Comprehensive Income	34		
A (i) Items that will not be reclassified to profit or loss		80.92	248.07
(ii) Income tax relating to items that will not be reclassified to profit or loss		(16.89)	20.48
Other Comprehensive Income for the year (net of taxes)		<u>64.03</u>	<u>268.55</u>
Total Comprehensive Income for the year		<u>5,383.52</u>	<u>5,694.59</u>
Earnings per equity share of par value of Rs. 10/- each.	37		
(1) Basic (Rs.)		34.08	34.76
(2) Diluted (Rs.)		34.08	34.76

As per our report of even date
For Jain Pramod Jain & Co.

Chartered Accountants

(P.K. Jain)

Partner

Place: New Delhi
Date : 29th May-2019

Saurabh Arora
Company Secretary

P.K. Agrawal
Chief Financial Officer

Madhukar Mishra
Managing Director

On behalf of the Board,

Shiromani Sharma
C.M. Vasudev
M.P. Pinto
Sunil Srivastav
Directors



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

	(₹ in lakhs)
A. Equity Share Capital	
Balance as at April 1, 2017	1,560.84
Changes during the year	-
Balance as at March 31, 2018	1,560.84
Changes during the year	-
Balance as at March 31 ,2019	1,560.84

B. Other Equity- As at March 31, 2019

Particulars	Reserves and Surplus					Items of other comprehensive income		Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Re-measurement of defined benefit plans	
Balance as at April 01, 2018	3.20	4,459.50	1,282.01	50.00	35,185.05	(1,888.98)	(50.94)	39,039.84
Total Comprehensive Income for the year	-	-	-	-		111.73	(30.81)	80.92
Profit for the year					5319.49			5,319.49
Dividends including dividend distribution tax	-	-	-	-	(472.69)	-	-	(472.69)
Transfer from Capital Reserve to Retained Earning	(3.20)	-	-	-	3.20	-	-	-
State Capital Investment Subsidy		-	-	-	-	-	-	-
Balance at March 31, 2019	-	4,459.50	1,282.01	50.00	40,035.05	(1,777.25)	(81.75)	43,967.56

As at March 31, 2018**(₹ in lakhs)**

Particulars	Reserves and Surplus					Items of other comprehensive income		Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Re-measurement of defined benefit plans	
Balance as at April 01, 2017	3.20	4,459.50	1,282.01	50.00	30,134.73	(2,196.24)	(12.24)	33,720.96
Total Comprehensive Income for the year	-	-	-	-		307.26	(38.70)	268.56
Profit for the year					5426.04			5,426.04
Dividends including dividend distribution tax	-	-	-	-	(375.72)	-	-	(375.72)
Transfer from Retained Earning to General Reserve	-	-	-	-	-	-	-	-
State Capital Investment Subsidy		-	-	-	-	-	-	-
Balance at March 31, 2018	3.20	4,459.50	1,282.01	50.00	35,185.05	(1,888.98)	(50.94)	39,039.84

As per our report of even date
For Jain Pramod Jain & Co.

Chartered Accountants

On behalf of the Board,

(P.K. Jain)

Partner

Shiromani Sharma

C.M. Vasudev

M.P. Pinto

Sunil Srivastav

Directors

Place: New Delhi

Saurabh Arora

P.K. Agrawal

Madhukar Mishra

Date : 29th May-2019

Company Secretary

Chief Financial Officer

Managing Director

Company Overview, Basis of Preparation & Significant Accounting Policies

1. Corporate Information

Star Paper Mills Limited ('the company') is a public limited company in India having its plant at Saharanpur the State of Uttar Pradesh and registered office at Duncan House, 2nd Floor, 31, Netaji Shubash Road, Kolkata in the State of West Bengal and engaged in the manufacture and supply of Paper and Paper Board as its core business. It produces a wide range of Industrial Packaging and cultural paper catering to all segment of the consumer. The Company's shares are listed on the National Stock Exchange Limited and BSE Limited.

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2016 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore, Ind AS's issued, notified and made effective have been considered for the purpose of preparation of these financial statements.

The financial statements of the Company have been prepared in accordance with and to comply in all material aspects with Indian Accounting Standards (Ind AS) as notified under the relevant provisions of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as applicable.

The financial statements have been prepared on accrual and going concern basis under historical cost convention, except for the items that have been measured at fair value as required by relevant Ind AS.

Company's financial statements are presented in India Rupees, which is also its functional currency. All amount in the financial statements and accompanying notes are presented in lakhs Indian Rupees and have been rounded-off to two decimal place in accordance with the provisions of Schedule III, unless stated otherwise.

2.2 Recent Pronouncements

Ind AS 116-Leases

Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116, effective accounting period beginning 1st April, 2019. Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. The core principle of the new standard is that an entity should recognise in its Balance sheet the right-of-use assets and financial liabilities for future payment obligations related to long term operating leases. The impact on the financial statements of the Company on adoption of Ind AS 116 shall not be material.

3. Significant Accounting Policies

3.1 Basis of Preparation

The Financial Statements have been prepared under the historical cost convention excepting certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period and certain class of Property, Plant and Equipment i.e freehold land which on the date of transition have been fair valued to be considered as deemed costs.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

Fair Value Measurement

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 under current market conditions.

3.2 Property Plant and Equipment (PPE)

Property, plant and equipment are stated at cost of acquisition or deemed cost on the date of transition except fair value of freehold land on date of transition considered as deemed cost or construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. Cost of an asset comprises its purchase price or its construction cost including import duties and non-refundable purchase taxes, inward freight, dismantling costs, installation expenses wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management, after deducting trade discounts and rebates and recoverable taxes. For major projects, interest and other costs incurred on / related to direct borrowings to finance projects / fixed assets during construction period and related pre-operative expenses, if appropriate, are capitalized.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.



The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement when incurred.

Capital Work-in-progress includes preoperative and development expenses, equipments to be installed, construction and erection materials, etc. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use.

Depreciation and Amortization of Expenses:

Depreciation on PPE is provided on the basis of life reviewed and assessed by the company based on technical evaluation of relevant class of assets, as detailed below:

Buildings	30 Years
Plant and Equipments	10-15 Years
Furniture and Fixtures	5-10 Years
Vehicles	10 Years
Computer	3-5 Years
Office Equipment	10 Years

The Depreciation on PPE other than Plant and Machinery is provided on written down value method and on Plant and Machinery on straight line method. Ceratin Plant and Machinery have been considered continous process plant on the basis of technical assessment

3.3 Derecognition of Tangible assets

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

3.4 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognised for an equivalent amount.

Payments made under operating leases are recognised as expenses on a straight-line basis over the term of the lease unless the lease arrangements are structured to increase in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

3.5 Impairment of Tangible Assets

Tangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognised in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost to disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

3.6 Financial assets and financial liabilities

Financial assets and financial liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other

Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amount of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

The Company has made an irrevocable decision to consider equity instruments not held for trading to be recognised at FVTOCI.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognised in the statement of profit and loss.

(vi) Impairment of financial assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) Derecognition of financial instruments

The Company derecognises a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party and also transfer qualifies for derecognition under Ind-AS - 109. On de-recognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognised in statement of profit and loss.

On de-recognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

(viii) Valuation of Investments

The company holds investments in equity which are measured at fair value through Other Comprehensive Income. The Company's investments in mutual fund schemes have been valued at fair value and are recognised in Profit and Loss Account.



3.7 Biological Assets

Biological Assets

Biological assets of the company comprises of unharvested clonal plants that are classified as current biological assets. The company recognizes biological assets when, and only when, the company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the company and the fair value or cost of the biological assets can be measured reliably. Biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in statement of profit and loss for the period in which it arises.

3.8 Inventories

The materials and other supplies held for use in the production of inventories are not written down below cost if the related finished products are expected to be sold at or above cost. Except of this the inventories are valued at lower of cost or net realisable value. However, cost of inventories other than raw material is ascertained on 'weighted average' basis. The value of raw material is determined by first in first out method.

Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same. Cost in respect of finished goods and wrapper represents material, labour and other manufacturing cost and appropriate portion of overheads but does not include interest, selling and distribution overheads.

Cost in respect of process stock represents, cost incurred up to the stage of completion.

3.9 Asset Held for Sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

3.10 Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and corresponding gain or loss is adjusted to the value of the concerned asset or liability. The company enters into derivative financial instruments to manage its exposure to foreign exchange rate risk using forward exchange contracts. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measurement to their fair value at each balance sheet date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged.

3.11 Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognised and are disclosed by way of notes to the financial statements 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 when there is 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 same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.13 Employee Benefits

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

Contribution to defined contribution plans such as Provident Fund etc, is being made in accordance with statute and are recognised as and when incurred.

Contribution to defined benefit plans consisting of contribution to Gratuity and Pension are determined at the end of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

Other long term employee benefits consisting of Leave Encashment are determined at the end of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain/loss are recognised in the Statement of profit and loss.

3.14 Revenue

Revenue from contract with customer:

Effective April, 2018, the company adopted Ind As 115 "Revenue from Contracts with Customers" using Cumulative Catch up Transition method applied to contracts that were not completed as of 01.04.2018. In accordance with the Cumulative Catch up method, the comparatives have not been retrospectively adjusted.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractual terms and conditions. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. Revenue is disclosed net of returns, incentives and returns, as applicable. Variable consideration includes volume discounts, price concessions, liquidity damages, incentives, etc.

Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.

Interest, Dividend and Claims

Interest Income is recognised on time proportion basis. Dividend income is recognised when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/ other claims are accounted as and when admitted/ settled.

Export Benefits

Export benefits are accounted for as and when the ultimate realisability of such benefits are established.

3.15 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

3.16 Research and Development Expenditure

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

3.17 Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative 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 and it is probable that the future economic benefit associated with asset will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.



3.18 Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.19 Segment Reporting

Operating Segments are identified and reported taking into account the different risk and return, organisation structure and internal reporting system.

4. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions affect the application of accounting policies and the reported amount of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amount of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known / materialised and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

4.1 Arrangement containing leases and classification of leases

The Company enters into service / hiring arrangements for various assets / services. The determination of lease and classification of the service / hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

4.2 Fair value as Deemed cost for PPE

The Company has used fair value of land as carried out by external valuer as on the date of transition i.e. 1st April 2016 as deemed costs. Such fair valuations involves higher degree of uncertainty and subjectivity.

4.3 Impairment loss on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

4.4 Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes. The deferred tax liability consequent to fair valuation of land and financial instruments involving estimation for timing differences has been recognised in these financial statements.

4.5 Provisions and Contingencies

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

4.6 Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Notes to Financial Statement for the year ended 31st March, 2019

1. PROPERTY, PLANT AND EQUIPMENT:

(₹ in lakhs)

Particulars	Freehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Total
<u>Gross Block</u>						
Cost as at 1st April, 2017	32,145.82	108.76	8,479.66	20.38	14.48	40,769.10
Additions during the year	-	-	486.76	11.64	32.37	530.77
Deduction/Adjustment during the year	-	-	12.54	1.31	13.19	27.04
Balance as at 31st March, 2018	32,145.82	108.76	8,953.88	30.71	33.66	41,272.83
Additions during the year	-	11.40	947.20	17.28	0.04	975.92
Deduction/Adjustment during the year	-	-	52.77	2.45	7.08	62.30
Other Adjustments	-	-	-	-	-	-
Balance as at 31st March, 2019	32,145.82	120.16	9,848.31	45.54	26.62	42,186.45
Accumulated Depreciation						
<u>Balance as at 1st April, 2017</u>	-	23.90	327.47	4.47	5.79	361.63
Depreciation for the year	-	18.40	370.19	8.93	9.50	407.02
Deduction/Adjustment during the year	-	-	0.59	1.28	6.87	8.74
Balance as at 31st March, 2018	-	42.30	697.07	12.12	8.42	759.91
Depreciation for the year	-	14.19	403.47	11.32	9.12	438.10
Deduction/Adjustment during the year	-	-	49.64	1.76	6.97	58.37
Other Adjustments	-	-	-	-	-	-
Balance as at 31st March, 2019	-	56.49	1,050.90	21.68	10.57	1,139.64
<u>Net Block</u>						
Balance as at 31st March, 2018	32,145.82	66.46	8,256.81	18.59	25.24	40,512.92
Balance as at 31st March, 2019	32,145.82	63.67	8,797.41	23.86	16.05	41,046.81

1.1 Gross block and Net block of Buildings include flat acquired under joint ownership with others at New Delhi amounting Rs 21.13 Lakhs (March 31, 2018 Rs. 21.13 lakhs) and Rs 10.76 Lakhs (March 31, 2018, Rs.13.48 Lakhs) respectively.

2. NON-CURRENT INVESTMENTS

(Fully paid up except otherwise stated)

(₹ in lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Holding	Value	Holding	Value
Investments in Equity Instruments				
Investment designated at Fair Value through Other Comprehensive Income				
Quoted-ISG Traders Limited (Face value of Rs. 10/- each)	17,45,786	1801.65	17,45,786	1,689.92
Total -Non -Current Investments		1,801.65		1,689.92
Aggregate amount of Quoted Investments		1,801.65		1,689.92

3.1 The Company has made an irrevocable decision to consider equity instruments not held for trading to be recognized at FVTOCI.

3.2 The shares of ISG Traders Limited are quoted but not traded since long thereafter the market value of investment has not been stated.

**3. OTHER FINANCIAL ASSETS**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good		
Security Deposits	174.32	179.02
Deposit with related parties	49.00	55.00
	223.32	234.02

4. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	78.91	153.27
Balances/Deposits with Government Authorities	516.91	567.53
	595.82	720.80

5. INVENTORIES

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw materials	2,377.06	1,834.46
Raw materials in transit	-	-
Chemicals	342.16	308.48
Process stock	406.25	356.49
Finished goods	276.29	388.37
Finished goods in transit	-	-
Stores and spares	1,471.59	1,517.03
Stores and spares in transit	26.16	6.59
Loose Tools	3.82	2.94
	-	-
Total	4,903.33	4,414.36

6. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
As at Opening date	27.73	32.17
Increase due to purchases / physical changes	34.31	56.80
Decreases due to harvest / Sales	26.32	25.08
Decreases due to write off	30.31	36.17
As at Closing date	5.41	27.72

7. CURRENT INVESTMENTS

(Fully paid up except otherwise stated)

Particulars	Face Value	As at March 31, 2019		As at March 31, 2018	
	Rs.	Holding	Value	Holding	Value
Investment measured at fair value through Profit and Loss					
Investment in Mutual Funds					
Quoted					
Kotak Saving Fund - Growth(Regular Plan)	10	700175.08	209.85		
Reliance Liquid Fund – Growth Option – Growth Plan	10	6985.01	317.06		

RELIANCE FIXED HORIZON FUND – GROWTH PLAN	10	1521086.49	528.33		
SBI Short Term Debt Fund – Regular Plan -Growth	10	1926553.63	412.17		
UTI Ultra Short Term Fund – Regular Growth Plan	10	48901.75	1,481.21		
UTI Money Market Fund – Regular Growth Plan	10	10589.87	222.26		
Franklin India Low Duration Fund – Growth	10	3255581.03	707.76		
Aditya Birla Sun Life Saving Fund – Growth	10	202995.45	749.33		
ICICI Prudential Ultra Short Short Term Fund – Growth	10	1851919.14	349.65		
IDFC Corporate Bond Fund Regular Plan – Growth	10	4904515.98	624.46		
IDFC Bond Fund-Short TermRegular Plan – Growth	10	797897.48	303.84		
HDFC Low Duration Fund – Retail – Regular Paln – Growth	10	1054150.69	412.46		
ICICI Prudential Corporate Bond - Growth	10			79,15,832.46	2,140.71
Kotak Medium Term Fund- Growth	10			7,47,283.62	107.85
Reliance Corporate Bond Fund- Growth	10			1,50,37,714.01	2,160.54
UTI Income Opportunity Fund- Growth	10			51,60,602.68	817.81
Reliance Equity Saving Fund- Growth	10			16,37,424.99	202.88
Reliance Money Manager Fund - G	10			8,480.80	203.03
UTI Floating Rate Fund-STP-Regular-G	10			10,777.37	304.41
ICICI Prudential equity income fund Monthly Dividend	10			18,89,960.78	210.16
ICICI Prudential Equity Income Fund Cumulative	10			7,77,388.41	9.91
Total			6,318.38		6,157.31
Aggregate amount of Quoted Investments					
- In Mutual Funds			6,318.38		6,157.31
Aggregate amount of Net Asset Value of Quoted Investments					
- In Mutual Funds			6,318.38		6,157.31

8. TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Considered good		
Secured	455.19	366.54
Unsecured	271.70	386.32
Trade Receivables which have significant increase in Credit Risk	9.62	8.69
Considered doubtful	-	-
Less: Impairment allowances for doubtful debts	9.62	8.69
Total	726.89	752.86

9. CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks		
In current and cash credit accounts	37.62	280.27
Cash in hand	1.93	2.37
Total	39.55	282.64

**10. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

(₹ in lakhs)

Particulars	Ref. note no.	As at March 31, 2019	As at March 31, 2018
Other balance with banks			
In Margin Money Accounts	10.1	185.67	84.90
Earmarked balances with bank			
Unpaid Dividend Account		8.10	4.25
Fixed deposits with Banks(having original maturity of more than 3 months)	10.2	2,140.09	16.75
Total		2,333.86	105.90

10.1 Fixed Deposits with banks include Fixed Deposit of Rs. 95.50 lakhs (March 31, 2018 Rs 84.90 lakhs) have been lodged with Banks against guarantee issued by them.

10.2 Against employee security deposits

11. OTHER FINANCIAL ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest receivable	92.29	20.56
	92.29	20.56

12. OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(Unsecured, Considered Good)		
Advances for supply of goods and rendering of services	590.64	412.13
Balance with Government authorities	64.08	60.97
Prepaid expenses	32.83	32.40
Loans and Advances to Employees	9.08	16.39
Total	696.63	521.89

13. ASSET HELD FOR SALE

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Plant and equipment	3.59	3.59
	3.59	3.59

14. EQUITY SHARE CAPITAL

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Authorized		
10,000 5% Cumulative Tax Free Redeemable Preference Shares of Rs.100 each	10.00	10.00

39,800,000 Equity Shares of Rs.10 each		3,980.00	3,980.00
100,000 `A' Equity Shares of Rs.10 each		10.00	10.00
Total		4,000.00	4,000.00
Issued			
15,511,250 Equity Shares of Rs.10 each		1,551.12	1,551.12
100,000 `A' Equity Shares of Rs.10 each		10.00	10.00
Total		1,561.12	1,561.12
Subscribed and Paid-up			
15,508,350 Equity Shares of Rs.10 each		1,550.83	1,550.83
100,000 `A' Equity Shares of Rs.10 each		10.00	10.00
Total		1,560.83	1,560.83

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

14.2 Reconciliation of the number of equity shares outstandings

Particulars	As at March 31, 2019	As at March 31, 2018
Number of shares at the beginning	1,56,08,350	1,56,08,350
Add: Addition during the year	-	-
Number of shares at the end	1,56,08,350	1,56,08,350

14.3 Shareholders holding more than 5% equity shares

Name of share holders	As at March 31, 2019	As at March 31, 2018
ISG Traders Ltd	50,28,744	51,04,744
Albert Trading Company Pvt. Ltd.	9,05,200	9,05,200

15. OTHER EQUITY

(₹ in lakh)

Particulars	Ref. Note No.	As at March 31, 2019	As at March 31, 2018
Capital Redemption Reserve	15.2	50.00	50.00
Capital Reserve	15.3	-	3.20
Securities Premium Reserve	15.4	4,459.50	4,459.50
General Reserve	15.5	1,282.01	1,282.01
Retained Earnings	15.6	40,035.05	35,185.05
Other Comprehensive Income:	15.7		
Equity instrument through other comprehensive income		(1,777.25)	(1,888.98)
Re-measurement of Defined benefit plans		(81.75)	(50.94)
Total		43,967.56	39,039.84

15.1 Refer Statement of changes in Equity for movement in balances of reserves.

15.2 Capital Redemption Reserve

Represent reserve created during redemption of 5% Cumulative Tax Free Redeemable Preference Shares of Rs.100 each and it is a non-distributable reserve.

15.3A Capital Reserve

Capital Reserve comprises of:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	-	3.20
	-	3.20

15.3B Capital reserve of earlier transferred to retained Earning



15.4 Securities Premium Reserve

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

15.5 General Reserve

The general reserve is created from time to time by appropriating profits from retained earnings. The general reserve is created by a transfer from one component of equity to another and accordingly it is not reclassified to the Statement of profit and loss.

15.6 Retained Earnings

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the company. It also includes Rs.24734.05 lakhs being fair value of land as on date of transition taken as deemed cost.

15.7 Other Comprehensive Income

Other Comprehensive Income represent the balance in equity for items to be accounted in Other Comprehensive Income (OCI) and comprises of the following:

- i) Items that will not be reclassified to profit and loss
 - a. The company has elected to recognise changes in the fair value of non-current investments in OCI. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed.
 - b. The actuarial gains and losses arising on defined benefit obligations have been recognised in OCI.

15.8 The Board of Directors has recommended a dividend of Rs. 2.50/- per share to be paid on fully paid equity shares in respect of the financial year ended March 31, 2019. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs. 390.21 lakhs and the dividend distribution tax thereon amounts to Rs. 82.61 lakhs.

16. OTHER FINANCIAL LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits		
(i) from wholesalers	796.00	751.66
(i) from others	136.70	79.09
Total	932.70	830.75

17. PROVISIONS

Particulars	Ref. Note No.	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits	36	873.25	896.17
		873.25	896.17

18 DEFERRED TAX LIABILITIES

The following is the analysis of deferred tax (assets)/liabilities presented in the Balance Sheet:

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax Assets	(1,269.68)	(3,203.45)
Deferred tax Liabilities	8,029.76	11,135.71
Net Deferred Tax (Assets)/Liabilities	6,760.08	7,932.26

Components of Deferred tax (Assets)/ Liabilities as at March 31, 2019 are given below:

Particulars	As at April 1, 2018	Charge/ (Credit) recognised in profit or loss	Charge/ (Credit) recognised in other comprehensive income	Charge/ (Credit) recognised in other comprehensive income	As at March 31, 2019
Deferred Tax Assets:					
Expenses allowable on payment basis	1,746.41	1,356.05	-		390.36
MAT credit entitlement	1,418.33	787.12	-		631.21
Provision for doubtful debts	11.74	8.38	-		3.36
Remeasurement of defined benefit obligations	26.97	-	(10.77)		37.74
Revaluation of Investment	-	(207.01)			207.01
Total Deferred Tax Assets	3,203.45	1,944.54	(10.77)	-	1,269.68
Deferred Tax Liabilities:					
Fair valuation (gain)/ loss on Investments	291.36	(259.09)	-		32.27
Timing difference with respect to Property, Plant & Equipment	10,833.22	(2,855.59)	-		7,977.63
Recognition of Biological Assets	11.13	(18.93)	-		(7.80)
Revaluation of Investment	-	-	27.66		27.66
Total Deferred Tax Liabilities	11,135.71	(3,133.61)	27.66		8,029.76
NET DEFERRED TAX (ASSETS)/ LIABILITIES	7,932.26	(1,189.07)	16.89		6,760.08

19. BORROWINGS

(₹ in lakhs)

Particulars	Ref. Note No.	As at March 31, 2019	As at March 31, 2018
SECURED			
Repayable on demand from banks	19.1	140.71	-
Indian Currency			
UNSECURED			
From related parties		-	153.24
Total		140.71	153.24

19.1 Loans repayable on demand being Working Capital facilities from Banks (both fund based and non-fund based) are secured by first pari passu charge by way of hypothecation of stocks of finished goods, raw materials, chemicals, stores, other materials including those in transit, book debts both present and future and the charge on fixed assets of the company.

20. TRADE PAYABLES

(₹ in lakhs)

Particulars	Ref. Note No.	As at March 31, 2019	As at March 31, 2018
Payable for Goods and Services			
Due to Micro and Small Enterprises	20.1	278.96	126.15
Others		3,663.46	4,034.80
		3,942.42	4,160.95

20.1 Disclosure of Trade payables as required under section 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, based on the confirmation and information available with the company regarding the status of suppliers.

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
a) Principal & Interest amount remaining unpaid but not due as at year end	278.96	126.15



b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
d) Interest accrued and remaining unpaid as at year end	Nil	Nil
e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil

20.2 As per agreement with Micro and Small Enterprises payment is due within 40-60 days, in view of it, some cases interest has not been calculated in their supplies. But future agreement will made for making payment within 45 days.

21. OTHER FINANCIAL LIABILITIES

(₹ in lakhs)

Particulars	Ref. Note No.	As at March 31, 2019	As at March 31, 2018
Interest accrued but not due on borrowings		79.77	219.39
Unclaimed dividends	21.1	8.10	4.26
Unclaimed liability in respect of preference shares	21.1	0.59	0.59
Capital vendors		102.49	102.49
Others		71.62	338.46
Total		262.57	665.19

21.1 The same is not due for payment to investor education and protection fund.

22. OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance from customers	160.21	277.75
Statutory dues	286.79	224.69
Total	447.00	502.44

23. PROVISIONS

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits	126.88	194.81
Total	126.88	194.81

24. CURRENT TAX LIABILITIES (NET)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for taxation (net of advance tax)	150.74	244.36
Total	150.74	244.36

25. REVENUE FROM OPERATION

(₹ in lakhs)

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Sale of products (including Excise Duty)	37159.22	33899.86
Other Operating Revenue:		
Sale of Waste Sludge, Scrap, etc.	465.25	357.84
Provision/ Liability no longer required written back	150.34	867.46
Incentive on Export	0.00	2.71
	615.59	1228.01
Total	37774.81	35127.87

26. OTHER INCOME

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Interest Income		
On loans, deposits, overdue debts etc.	211.77	27.94
On Financial Assets measured at amortised cost	1.45	2.43
Dividend income on Current investments	6.77	18.48
Net change in fair value less estimated costs to sell of biological assets	0.00	0.00
Net gain/(loss) on sale / redemption of Current investments (net)	116.75	56.52
Net gain/(loss) on fair valuation of Current investments through profit and loss (net)	184.68	282.08
Profit/(loss) on sale of fixed assets (net)	7.91	3.91
Net gain/(loss) on foreign currency transaction and translation	0.00	0.42
Research contribution from IPMA	60.00	0.00
Miscellaneous income	138.57	112.68
Total	727.90	504.46

27. COST OF MATERIALS CONSUMED

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Raw Material Consumed	13587.86	11174.08

27.1 Details of material consumed

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Wood, wood and paper waste and wood pulp	9171.46	7621.36
Chemical and Dyes Consumed	4416.40	3552.72
Total	13587.86	11174.08

28. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE & WORK-IN-PROGRESS

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Opening stock:		
Stock in proces	356.49	292.79
Finished paper	388.36	438.61
In transit	0.00	0.00
	744.85	731.40
Closing stock:		
Stock in proces	406.25	356.49
Finished paper	276.29	388.37
In transit	0.00	0.00
	682.54	744.86
Total	62.31	-13.44

29. EMPLOYEES BENEFIT EXPENSES

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Salaries, wages, bonus etc.	2427.99	2395.85
Contribution to:		
Provident and other funds	244.17	256.05
Workmen and staff welfare expenses	141.52	160.32
Total	2813.68	2812.22

30. FINANCIAL COSTS

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Interest exp (on working capital)	6.24	1.51
On other accounts	58.88	103.39
Total	65.12	104.90

**31. DEPRECIATION AND AMORTISED EXPENSES**

Particulars	YEAR ENDED 31 ST MARCH 2019	YEAR ENDED 31 ST MARCH 2018
DEPRECIATION EXPENSES	438.82	407.02
	438.82	407.02

32. OTHER EXPENSES

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Stores and components consumed	1232.21	1470.72
Power and fuel	11008.51	8474.57
Repairs to:		
Buildings	240.72	301.06
Machinery	1032.19	718.02
Others	25.98	28.99
Rent	81.49	84.24
Net change in fair valuation of biological assets	22.31	4.45
Rates and taxes	191.52	88.49
Excise duty	0.00	470.02
Insurance	6.06	12.10
Packing, selling, transportation and other exps	375.91	328.65
Charity and donations	0.00	1.20
Directors' fees	8.80	8.60
Provision for doubtful debts	3.50	1.07
Net gain/(loss) on foreign currency transaction and translation	5.10	0.00
Provision for unrecoverable adv	0.00	23.94
Research & Development given to CPPRI/FRI	43.24	0.00
Miscellaneous expenses	2104.08	1911.16
Total	16381.62	13927.28

32.1 Auditors Remuneration(Included in Misc. Exp.)

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Statutory Audit Fee	7.00	8.00
Fee for Taxation Matters	1.80	1.80
Fee for Certification and Review	2.90	1.50
For reimbursement of expenses	0.81	2.23
Total	12.51	13.53

- 32.2 During the year, the company has incurred Rs 67.68 lakhs (March 31,2018 Rs. 78.00 lakhs) on account of research and development expenses which has been charged to statement of Profit & Loss.
- 32.3 During the year, the Company has incurred Rs. 110.98 lakhs (March 31, 2018 Rs. 66.54 lakhs) on account of Corporate Social Responsibility (CSR) including Charity and Donations.
- 32.4 Fair value of investment in ISG Traders Limited has been done as at 31.03.2018 and no effect has been taken for fair value as at 31.03.2019 (amount unascertained)
- 32.5 In view of disqualification under section 164(2), remuneration aggregating to Rs. 441.10 lakhs paid/provided to two directors is recoverable subject to any approval for removal of disqualification granted by competent authority.

32.6 Obligation under leases

A. Operating Lease disclosures:

The Company has operating lease arrangements for office accommodations etc. with tenure extending upto 9 yrs. Term of certain lease arrangements include escalation clause for rent on expiry of 36 months from the commencement date of such lease and deposit/refund of security deposit etc. Expenditure incurred on account of rent during the year and recognized in the statement of profit and loss amounts to Rs. 47.79 lakhs (March 31, 2018 Rs. 45.97 lakhs).

33. TAX EXPENSES - CURRENT TAX

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Provision for current tax	1696.00	1722.59
	1696.00	1722.59

33.1 Component of Tax Expenses:

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Current Tax		
In respect of current year	1696.00	1722.59
Total Current Tax expenses recognised in the current year	1696.00	1722.59
Deferred Tax		
In respect of current year	-1862.19	71.64
Total Deferred Tax expenses recognised in the current year	-1862.19	71.64
Total tax expense recognised in the current year	-166.19	1794.23

33.2 Reconciliation of Income tax expense for the year with accounting profit is as follows:

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows :

Particulars	YEAR ENDED 31ST MARCH 2019	YEAR ENDED 31ST MARCH 2018
Profit before tax	5153.30	7220.27
Income tax expense calculated at 34.944%	1800.77	2498.79
Add: Tax Incidences on addition		
Disallowances u/s 43B	7.97	30.51
Other disallowances	40.19	0.00
Less: Tax incidences on deductions		
Difference of Book and Income Tax depreciation	19.57	30.80
Expenses paid u/s 43B paid during the year	49.97	0.00
Other deductions	83.39	119.40
Deduction u/s 80-IA	0.00	656.51
Income tax expense recognised in profit or loss	1696.00	1722.59
Effective Tax Rate	32.91%	23.86%

The tax rate used for reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax laws.

34. COMPONENTS OF OTHER COMPREHENSIVE INCOME

Particulars	YEAR ENDED 31 ST MARCH 2019	YEAR ENDED 31 ST MARCH 2018
Items that will not be reclassified to Statement of Profit or Loss		
Net fair value changes on investments in equity shares at FVTOCI	111.73	307.27
Remeasurement of defined benefit plans	-30.81	-59.20
Total	80.92	248.07



35. FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

(₹ in lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non-Current)				
Financial Assets measured at Amortised Cost				
Cash and cash equivalents	39.55	39.55	282.64	282.64
Bank Balances Other than Cash and Cash Equivalents	2,333.86	2,333.86	105.90	105.90
Other Financial Assets	315.61	315.61	254.58	254.58
Trade Receivables	726.89	726.89	752.86	752.86
Financial Assets designated at Fair Value through Profit and Loss Account				
Investment in Mutual Funds	6,318.38	6,318.38	6,157.31	6,157.31
Financial Assets designated at Fair Value through Other Comprehensive Income				
Investment in Equity Instruments	1,801.65	1,801.65	1,689.92	1,689.92
Financial Liabilities (Current and Non-Current)				
Financial Liabilities designated at Amortised Cost:				
Borrowings	140.71	140.71	153.24	153.24
Trade Payables	3,942.42	3,942.42	4,160.95	4,160.95
Other Financial Liabilities	1,195.27	1,195.27	1,495.95	1,495.95

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, trade receivables and payables, current financial liabilities/financial assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

Investments in liquid and short-term mutual funds are determined using quoted market prices at the reporting date multiplied by the quantity held. Quoted Investments for which quotations are not available have been determined by an external independent valuer appointed in this respect with reference to the market value of the investment held by that company, P/E ratio of similar sector company along with premium/discount for controlling interest.

Fair value hierarchy

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2019:

(₹ in lakhs)

Particulars	As at March 31, 2019	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
Financial Assets				
Investment in Mutual Funds	6,318.38	6,318.38	-	-
	(3,256.04)	(3,256.04)	-	-
	-	-	-	-
Investment in Equity Instruments(Non-Current)	1,801.65	-	-	1,801.65
	(1,689.92)	-	-	(1,689.92)

(*) Figures in round brackets () indicate figures as at March 31, 2018

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such

Measurement:

- (a) Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- (c) Level 3: Inputs for the asset or liability which are not based on observable market data.

During the year ended March 31, 2019, there were no transfers between Level 1, Level 2 and Level 3.

The inputs used in fair valuation measurement are as follows:

Inputs used in fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the borrowing rate of the company.

Equity Instruments are valued based on the market value of investments held by that company, P/E ratio of similar sector company along with premium/discount of controlling interest.

Financial Risk Factors

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed with the Company's policies and risk objectives.

Market Risk

Market risk is the risk or uncertainty arising from possible market price fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes trade receivables, borrowings, investments and trade and other payables.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated transactions.

The Company evaluates exchange rate exposure arising from these transactions and follows established risk management policies. As at the year end the company had no exposure in the foreign currency and neither in the previous year.

Interest rate risk

Borrowings at fixed interest rate exposes the company to the fair value interest rate risk. As at the March 31, 2019 100% (March 31, 2018: 100 %) of the company's borrowings are at fixed rate.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings.

(₹ in lakhs)

Nature of Borrowing	Increase in basis points	For the year ended March 31, 2019	For the year ended March 31, 2018
Rupee Loan	+0.50	1.26	1.26

A decrease in 0.50 basis point in Rupee Loan would have an equal and opposite effect on the Company's financial statements

Other price risk

The company's investments in mutual funds and equity instruments which are fair valued through profit and loss and other comprehensive income respectively. The company's investment in Equity instruments are strategic and long term in nature and these are further subject to impairment testing as per the policy followed in this respect and are not expected to be material whereas investments in mutual funds are for short term in nature for deployment of surplus with the company which are subject to market conditions.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). To manage this, the management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Major supplies are through wholeseller who have paid deposit to the company and the risk involved in payment default is minimum. Further, evaluating the credit worthiness of the customers has minimised the risk of default by other segment customers. Besides, the risk of export receivables is covered under Credit Insurance. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly. Further the company obtains necessary security including letter of credits and/or bank guarantee to mitigate its credit risk.



The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivables balance at the end of the year, there are three customer (Promod Paper Products, Raghav Trading Corp and Akash Deep Paper Pvt Ltd) having outstanding of Rs. 377.77 lakhs which accounted for more than 10% of the accounts receivable as at March 31, 2019 .

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Receivables from customers are reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, investment and deposits with banks are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

Financial assets that are past due but not impaired

Trade receivables disclosed above includes certain amounts that are past due at the end of the reporting period but against which no credit losses has been expected to arise.

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet it's cash and collateral requirements at all times. The company relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows as on March 31, 2019

Interest rate and currency of borrowings

As at March 31, 2019

(₹ in lakhs)

Particulars	Total Borrowings	Floating rate borrowings	Fixed rate borrowings	Interest free borrowings	Weighted average Interest Rate (%)
INR	140.71		140.71		
Total	140.71	-	140.71	-	

As at March 31, 2018

(₹ in lakhs)

Particulars	Total Borrowings	Floating rate borrowings	Fixed rate borrowings	Interest free borrowings	Weighted average Interest Rate (%)
INR	153.24		153.24	-	-
Total	153.24	-	153.24	-	-

Maturity Analysis of Financial Liabilities

As at March 31, 2019

(₹ in lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Interest bearing borrowings (including current maturities)	-					-
Other Liabilities	1,195.27	1,195.27				1,195.27
Trade and other payables	3,942.42	3,942.42				3,942.42

As at March 31, 2018

(₹ in lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Interest bearing borrowings (including current maturities)	-					-
Other Liabilities	1,495.95	1,495.95				1,495.95
Trade and other payables	4,160.95	4,160.95				4,160.95

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The company relies on mix of borrowings and excess operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

The gearing ratio are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings	140.71	153.24
Less Cash and Cash Equivalents	39.55	282.64
Net Debt	101.16	(129.40)
Equity	45,528.39	40,600.67
Equity and Net Debt	45,629.55	40,471.27
Gearing Ratio	0.002	(0.00)

36. Post Retirement Employee Benefits

The disclosures required under IND Accounting Standard 19 on "Employee Benefits" are given below:

a) Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized for the year are as under :

(₹ in lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Employer's Contribution to Provident Fund & Family Pension Fund	109.17	113.22
Employer's State Insurance Fund	50.69	55.47

b) Defined Benefit Plans

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for pension and leave encashment is recognised in the same manner as gratuity.

(₹ in lakhs)

	Gratuity (Funded)		Pension (Non Funded)		Leave Encashment (Non Funded)	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
a) Change in the Present value of the defined benefit obligation:						
Liability at the beginning of the year	757.13	752.14	364.50	397.50	76.00	77.21
Interest Cost	57.12	51.86	27.52	27.42	25.05	8.18
Current Service Cost	35.25	45.02	0.85	0.92	5.73	5.32
Actuarial (gain) / loss on obligations	30.81	65.86	4.34	(19.64)	11.16	12.61
Benefits paid	(119.13)	(157.75)	(38.59)	(41.70)	(27.05)	(27.32)
Liability at the end of the year	761.18	757.13	358.62	364.50	90.89	76.00
b) Changes in the Fair Value of Plan Asset						
Fair value of Plan Assets at the beginning of the year	106.65	138.07	-	-	-	-
Expected Return on Plan Assets	8.04	9.52				
Contributions by the Company	215.00	120.00	38.59	41.70	27.05	27.32



Benefits paid	(119.13)	(157.75)	(38.59)	(41.70)	(27.05)	(27.32)
Actuarial gain / (loss) on Plan Assets	-	(3.19)				-
Fair value of Plan Assets at the end of the year	210.56	106.65	-	-	-	-
c) Actual return on Plan Asset						
Expected return on Plan assets	8.04	9.52	-	-	-	-
Actuarial gain / (loss) on Plan Assets	-	(3.19)	-	-	-	-
Actual Return on Plan Assets	8.04	6.33	-	-	-	-
d) Amount Recognized in Balance Sheet						
Liability at the end of the year	761.18	757.13	358.62	364.50	90.89	76.00
Fair value of Plan Assets at the end of the year	210.56	106.65	-	-	-	-
	<u>550.62</u>	<u>650.48</u>	<u>358.62</u>	<u>364.50</u>	<u>90.89</u>	<u>76.00</u>
e) Components of Defined Benefit Cost						
Current Service Cost	35.25	45.02	0.85	0.92	5.73	5.32
Interest Cost	57.12	51.86	27.52	27.42	25.05	8.18
Expected Return on Plan Assets	(8.04)	(9.52)	(0.00)	-	(0.00)	(0.00)
Net Actuarial (gain) / loss on remeasurement recognised in OCI	30.81	69.05	4.34	(19.64)	11.16	12.61
Total Defined Benefit Cost recognised in Profit and Loss and OCI	115.14	156.41	32.71	8.70	41.94	26.11
f) Balance Sheet Reconciliation						
Opening Net Liability	650.48	614.07	364.50	397.50	76.00	77.21
Expenses as above	115.14	156.41	32.71	8.70	41.94	26.11
Employers Contribution	(215.00)	(120.00)	(38.59)	(41.70)	(27.05)	(27.32)
Amount Recognized in Balance Sheet	550.62	650.48	358.62	364.50	90.89	76.00
g) Principal Actuarial assumptions as at the Balance Sheet date						
Discount Rate(Per annum)	7.40%	7.55%	7.40%	7.55%	7.40%	7.55%
Salary Growth Rate (Per annum)	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Rate of Return on Plan Assets	8.00%	8.00%	Not Applicable			

Notes:

- i) Assumptions relating to future salary increases, attrition, interest rate for discount & overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.
- ii) The Company contributed Rs 215.00 lakhs (Previous Year Rs. 120 lakhs) to Gratuity fund in 2018-19.

Recognised in Other Comprehensive Income

(₹ in lakhs)

Particulars	Gratuity	Pension
Remeasurement - Acturial loss/(gain)		
For the year ended March 31, 2018	69.05	(19.64)
Remeasurement - Acturial loss/(gain)		
For the year ended March 31, 2019	30.81	4.34

Percentage allocation of plan assets in respect of fund managed by insurer/trust is as follows:

Sensitivity analysis:

(₹ in lakhs)

Particulars	Change in Assumption	Effect in Gratuity Obligation	Effect in Pension Obligation	Effect in Leave Obligation
For the year ended 31st March, 2018				
Discount Rate	+1%	728.66	337.23	711.36
	-1%	788.59	395.79	816.3
Salary Growth Rate	+1%	788.89	365.05	817.19
	-1%	727.91	363.88	709.82
For the year ended 31st March, 2019				
Discount Rate	+1%	732.78	332.00	854.70
	-1%	792.66	389.15	972.07
Salary Growth Rate	+1%	793.10	359.24	972.98
	-1%	731.90	357.93	853.05

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

Sensitivity due to mortality & withdrawal are not material & hence impact of change not calculated.

History of experience adjustments is as follows:

(₹ in lakhs)

Particulars	Gratuity	Pension	Leave
For the year ended March 31, 2018			
Plan Liabilities - (loss)/gain	(65.86)	(19.64)	12.61
Plan Assets - (loss)/gain	(3.19)	-	-
For the year ended March 31, 2019			
Plan Liabilities - (loss)/gain	(30.81)	4.33	11.16
Plan Assets - (loss)/gain	-	-	-

Maturity Profile of Defined Benefit Obligation

(₹ in lakhs)

Expected Cash Flows over the next (valued on undiscounted basis)	Gratuity	Pension	Leave
1 year	274.57	34.55	28.31
2 to 5 years	425.02	138.01	36.15
6 to 10 years	131.88	160.85	24.80
More than 10 years	268.91	360.90	88.84

OCI presentation of defined benefit plan

- Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

- Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit & Loss and Balance Sheet:

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss. IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1. Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet. When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate. The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.



37. CALCULATION OF EARNING PER SHARE IS AS FOLLOWS:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss	5,319.49	5,426.04
Net profit for basic and diluted earnings per share	5,319.49	5,426.04

(b) Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value Rs. 10/- per share)

No of equity shares outstanding as on 31st March, 2019	1,56,08,350	1,56,08,350
	1,56,08,350	1,56,08,350
(c) Weighted average number of equity shares outstanding	1,56,08,350	1,56,08,350
d) Earnings per share (EPS) of Equity Share of Rs. 10 each:		
a) Basic (Rs.)	34.08	34.76
b) Diluted (Rs.)	34.08	34.76

38. COMMITMENTS NOT PROVIDED FOR

Estimated amount of contracts remaining to be executed on capital account (net of advances) Rs.89.06 Lakhs (March 31, 2018 Rs. 18.63 lakhs)

39. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Various show cause notices/demands issued/ raised, which in the opinion of the management are not tenable and are pending with various forum / authorities:		
1. Sales Tax including Trade Tax	450.17	450.17
2. Excise Duty	-	24.36
3. Electric Duty	2.70	2.70
4. Employees State Insurances Corp.	4.90	4.90
5. Sales Tax on Royalty	69.10	69.10
6. Entry tax on fuels,etc.	124.37	144.71
7. Workers Claims	61.54	61.54
8. Compensation Claimed by Railway Authorities	3,200.00	-

Note: The Company's pending litigations comprises of claim against the company and proceedings pending with Taxation/ Statutory/ Government Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed the contingent liabilities, where applicable, in its financial statements. The company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of above is dependent upto the outcome of judgment/decisions.

40. Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows:

A) Names of related parties and description of relationship

1) Key Management Personnel (KMP) and their close member:

Mr. G.P. Goenka - Executive Chairman (w.e.f May 20, 2015)
 Mr. M. Mishra - Managing Director
 Mr. S. Sharma - Director
 Mr. M.P. Pinto - Director
 Mr. S.V. Goenka - Director and son of Executive Director
 Mr. C.M. Vasudev - Director
 Ms. S.L. Acharya - Director
 Mr. Sunil Srivastav - Director
 Mr. P.K. Agrawal - Chief Financial Officer
 Mrs. M. Mishra - wife of Managing Director
 Mrs. R. Agrawal - wife of Chief Financial Officer
 Mr. Saurabh Arora-Company Secretary

2) Enterprise where KMP and/or Close member of the family have significant influence or control:

ISG Traders Limited
Kavita Marketing Pvt. Ltd.

B) Related Party Transactions

(₹ in lakhs)

Particulars	KMP & Close members of Family	KMP have control	Total	Outstanding as on March 31, 2019	Outstanding as on March 31, 2018
Remuneration					
Mr. G.P. Goenka	269.19	-	269.19	132.00	132.16
Mr. M. Mishra	216.10	-	216.10	67.70	70.25
Mr. S. Sharma	2.80	-	2.80	-	-
Mr. M.P. Pinto	1.20	-	1.20	-	-
Mr. S.V. Goenka	0.80	-	0.80	-	-
Mr. C.M. Vasudev	1.60	-	1.60	-	-
Mr.S. Srivastav	0.60	-	0.60	-	-
Ms. S.L. Acharya	1.80	-	1.80	-	-
Mr. P.K. Agrawal	28.06	-	28.06	1.82	4.73
Mr. Saurabh Arora	10.85	-	10.85	-	-
Total	533.00		533.00	201.52	207.14
Previous Year					
Mr. G.P. Goenka	234.07	-	234.07	132.16	147.93
Mr. M. Mishra	210.70	-	210.70	70.25	72.61
Mr. S. Sharma	3.00	-	3.00	-	-
Mr. M.P. Pinto	1.60	-	1.60	-	-
Mr. S.V. Goenka	0.40	-	0.40	-	-
Mr. C.M. Vasudev	3.80	-	3.80	-	-
Ms. S.L. Acharya	1.80	-	1.80	-	-
Mr. P.K. Agrawal	28.41	-	28.41	4.73	-
Mr. Saurabh Arora	10.73	-	10.73	-	-
Security Deposit given					
Mrs. M. Mishra		-	-	14.00	20.00
Kavita Marketing Pvt. Ltd.		-	-	35.00	35.00
Total	-	-	-	49.00	55.00
Previous Year					
Mrs. M. Mishra	20.00	-	20.00	20.00	20.00
Kavita Marketing Pvt. Ltd.	35.00	-	35.00	35.00	35.00
Rent Paid					
Mrs. M. Mishra	21.48	-	21.48	-	-
Kavita Marketing Pvt. Ltd.	-	2.70	2.70	-	-
Total	21.48	2.70	24.18	-	-
Previous Year					
Mrs. M. Mishra	21.48	-	21.48	-	-
Kavita Marketing Pvt. Ltd.	-	2.40	2.40	-	-
Taxi Hiring charges paid					
Mrs. R. Agrawal	1.49	-	1.49	-	-
Total	1.49	-	1.49	-	-
Previous Year					
Mrs. R. Agrawal	1.80	-	1.80	-	-



(₹ in lakhs)

Particulars	KMP & Close members of Family	KMP have control	Total	Outstanding as on March 31, 2019	Outstanding as on March 31, 2018
Loan Taken					
I S G Traders Limited	-	-	-	-	-
Previous Year					
I S G Traders Limited	-	-	-	-	313.24
Loan Repaid					
I S G Traders Limited	157.00		157.00		
Previous Year					
I S G Traders Limited	160.00	-	160.00	-	-
Interest Payable					
I S G Traders Limited		79.77	79.77	79.77	219.39
Previous Year					
I S G Traders Limited	-	219.39	219.39	219.39	184.71
Security Deposit received					
I S G Traders Limited	-		-	5.00	5.00
Previous Year					
I S G Traders Limited	-	-	-	5.00	5.00
Creditor/ Credit balances					
I S G Traders Limited	-	-	-	-	33.48
Investment in shares					
I S G Traders Limited	-	1,801.65	1,801.65	1,801.65	1,689.92
Previous Year					
I S G Traders Limited	-	1,689.92	1,689.92		1,689.92

* Post-employment benefits and other long-term benefits have been disclosed based on actual payment made on retirement/resignation of services, but does not include provision made on actuarial basis as the same is available for all the employees together.

40.1 In respect of the above parties, there is no provision for doubtful debts as on March 31, 2018 and no amount has been written off or written back during the year in respect of debt due from/to them

40.2 The above related party information is as identified by the management and relied upon by the auditor

41. SEGMENT REPORTING

- a). The Company operates mainly in one business segment viz Paper being primary segment and all other activities revolve around the main activity. The secondary segment is geographical, information related to which is given as under :

(₹ in lakhs)

Particulars	2018-19			2017-2018		
	Within India	Outside India	Total	Within India	Outside India	Total
Sales (gross)	35,893.04	1,266.18	37,159.22	33,503.06	396.80	33,899.86
Non-Current Assets other than financial instruments	42,019.83	-	42,019.83	41,997.80	-	41,997.80

- b). Sales to three Customers of the Company is Rs.14061.67 Lakhs (Previous Year Rs 7558.32 Lakhs) which is more than 10% of the Company's total turnover.

42. REVENUE FROM CONTRACTS WITH CUSTOMERS :

- (a) With effect from 1st April 2018, Ind AS 115 "Revenue from Contract with Customers" supersedes Ind As 18 "Revenue". The core principle of the new standards is that an entity should recognise revenue when the control of the goods or services underlying the particular performance obligation is transferred to customers. The said Transition does not have any significant effect on the financial statement of the Company.
- (b) Disaggregated revenue information (Refer Note No. 41)
- (c) Contract Balances

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade Receivables	726.89	752.86
Contract Liabilities	160.21	277.75

* Converted into Sales in 2018-2019 Rs. 277.75 lacs

Trade Receivables are generally non-interest bearing and are on payment terms of 0 to 9 days. Contract liabilities include advances received against delivery of Paper. The Performance obligation in relation to revenue recognition arising from contract with customer is satisfied upon customer's clearance of goods sold.

(d) Reconciling the amount of revenue recognised in the statement of Profit & Loss with the contracted price :

Particulars	As at 31st March, 2019	As at 31st March, 2018
Revenue as per the Contracted Price	38523.93	35116.91
Customer Claim / Discount	(767.82)	(701.44)
Quality Rebates, Incentive etc.	(596.89)	(515.61)
Revenue from Contract with Customers	37159.22	33899.86

43. Disclosures of Loans and Advances as per the Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) are as follows:

Investment by loanee companies in the shares of the company :-

Name of the Company	As at March 31, 2019		As at March 31, 2018	
	No. of shares	(Rs. In lakhs)	No. of shares	(Rs. In lakhs)
I S G Traders Limited	5028744	6363.88	5104744	10196.73

44. Fair value measurements for biological assets other than bearer plants

The following table gives the information about how the fair value of the biological assets were determined:

Biological Asset	As at 31-Mar-19	As at 31-Mar-18	Fair value hierarchy	Valuation techniques and key inputs
Unharvested clonal plants	5.41	27.72	Level 2	Fair value is being arrived at based on the observable market prices of clonal plants. The same is applied on the quantity of the clonal plants unharvested using average plucking in various fields.

45. The financial risk associated to agriculture would include climate change, price fluctuation and input cost increases. Being dependent on rainfall, any shortfall would directly impact the production. The sale of clonal plants largely through the farmer system, any price fluctuation would impact profitability. Increased wages also has a direct impact on the cost of production because of labour intensive nature of the business operations.

46. Figures have been given in Rupee lakhs and have been rounded off to two decimal places.

47. Previous year's figures have been regrouped/reclassified to conform with current year presentation wherever considered necessary.

As per our report of even date
For Jain Pramod Jain & Co.

Chartered Accountants

(P.K. Jain)

Partner

On behalf of the Board,

Shiromani Sharma

C.M. Vasudev

M.P. Pinto

Sunil Srivastav

Directors

Place: New Delhi

Date : 29th May-2019

Saurabh Arora

Company Secretary

P.K. Agrawal

Chief Financial Officer

Madhukar Mishra

Managing Director



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

	Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
A.	Cash Flow from the Operating Activities		
	Net Profit/(Loss) before Tax and Exceptional Items	5153.30	7220.27
	Adjustments for:		
	Depreciation and Amortization expenses	438.82	407.02
	Loss/(Profit) on sale of Fixed Assets	(7.91)	(3.91)
	Provision/Liabilities no longer required written back	(150.34)	(867.45)
	Foreign Exchange Fluctuations	5.10	(0.42)
	Provision for unrecoverable advance & Doubtful Debts	3.50	25.01
	Fair Value Adjustment	198.35	(333.23)
	Dividend Income	(6.77)	(18.48)
	Interest Received	(211.77)	(27.94)
	Finance Costs	65.12	104.90
	Operating Profit before Working Capital changes	5,487.39	6,505.77
	Adjustments for:		
	Change in Financial Assets, Non-Current Assets & Other F.A	(110.79)	63.00
	Change in Inventories & Biological Assets	(466.66)	(1,122.39)
	Change in Trade Receivables	25.97	(84.52)
	Change in Financial & Other Liabilities & Trade Payables	(668.26)	(514.51)
	Change in Provisions	(90.86)	75.38
	Cash generated from Operations	4,176.79	4,922.73
	Income Tax (Paid)/Refund (Net)	(1,099.63)	(1,373.12)
	Net Cash from the Operating Activities	3,077.17	3,549.61
B.	Cash Flow From Investing Activities		
	Purchase of Fixed Assets	(616.77)	(469.11)
	Investments	(161.07)	(2,620.32)
	Sale of Fixed Assets	11.11	22.21
	Dividend Income	6.77	18.48
	Interest Income	211.77	27.94
	Other Bank Balance: Deposits within 3 to 12 Months Maturity	(2,227.96)	(35.45)
	Net Cash from Investing Activities	(2,776.15)	(3,056.25)
C.	Cash Flow from the Financing Activities		
	Short Term Borrowings	(12.53)	(271.53)
	Dividend Paid	(472.82)	(375.72)
	Interest Paid	(58.76)	(53.11)
	Net Cash From Financing Activities	(544.11)	(700.36)
	Net Increase/(Decrease) in Cash Equivalents	(243.09)	(207.00)
	Cash and Cash Equivalents at the beginning of the Year	282.64	489.64
	Cash and Cash Equivalents at the end of the Year	39.55	282.64

Notes:

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in IND AS - 7.
- 2 Previous year's figures have been regrouped wherever necessary to confirm to this year's classification
- 3 **Cash & Cash Equivalent includes:**

	Current Year	Previous Year
	(₹ in lakhs)	
Balances with Banks		
-in Current Accounts	37.62	280.27
-Short term Deposits	-	-
Cash in Hand	1.93	2.37
Cheques/Drafts on hand	-	-
	39.55	282.64

**As per our report of even date
For Jain Pramod Jain & Co.**

Chartered Accountants

(P.K. Jain)

Partner

Place: New Delhi
Date : 29th May-2019

Saurabh Arora
Company Secretary

P.K. Agrawal
Chief Financial Officer

Madhukar Mishra
Managing Director

On behalf of the Board,

Shiromani Sharma
C.M. Vasudev
M.P. Pinto
Sunil Srivastav
Directors



STAR PAPER MILLS LIMITED

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